

Expway Raises \$4.3M In Third Round of Funding

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10/6/2004

Expway, which produces technology that compresses and transmits large XML data files, has raised EUR3.5 million (\$4.3 million) in a third round of funding for product development and sales and marketing.

New investor CDC Entreprises Innovation led the round with previous investors C-Source, TechFund Capital Europe, FCJE and Champagne Ardenne Croissance participating. The company previously raised a EUR1.9 million round in March of 2003 and a EUR1 million round in February 2002.

Antoine Weil, chief executive of Expway, said the company will be unveiling a new line of XML technology, known as Electronic Content Guides, tailored specifically for mobile phones and digital TV. The funding will be used to commercialize that product line and to focus marketing efforts in the mobile phone and digital TV industries. Weil said the product will be generally available by the end of the year.

EXPWAY's patented binary XML technology, BinXML, immediately transports XML data, which usually is quite large, to devices with limited memory or bandwidth such as digital TV set-top boxes or mobile phones.

Currently the company has a number of strategic partnerships with companies such as Pioneer Co., BBC, NTT, and several large French operators. Weil said Expway will be focusing its marketing efforts in the mobile and digital TV arenas, but may eventually extend its product line into web services.

The company has not been profitable thus far because of costs associated with the new product line. Weil estimates that the company will hit profitability in the next 18 months to two years.

Expway, founded in Paris in September 2000, has 15 employees.