

Campbell Harvey, a Duke business professor, uses the product to take students on a 'drive' through graphics.

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Headed for charts unknown

Start-up sells way to liven them

By DAVID RANIE
STAFF WRITER

CHAPEL HILL — Campbell Harvey doesn't just tell his students about the roller-coaster stock market. He takes them for a virtual ride up the peaks and down the valleys, thanks to a new software product called VRCharts.

"It's one thing to show a [graph or chart]. It's another thing to drive through it," said Harvey, a finance professor at Duke University's Fuqua School of Business. "It's an incredibly powerful teaching tool."

VRCharts, which converts data from spreadsheets into interactive graphics that look three-dimensional, is the first

product from AlterVue Systems, a tiny Chapel Hill start-up.

Nick Nickerson, AlterVue's founder and president, is convinced that Harvey's enthusiasm could be contagious — if people can only see for themselves what VRCharts can do.

Toward that end, AlterVue has adopted a seeing-is-believing marketing strategy. It intends to distribute hundreds of thousands of free, stripped-down versions of its software to its target audience: the estimated 5 million people who use programs such as Microsoft's PowerPoint for glitzy, computer-based business presentations. Once those people get a free taste of the appetizer, the thinking goes, they'll be willing to pay for the main course.

The cost: \$199 for an Internet download or \$229 plus shipping and handling for a CD-ROM or diskette.

Nickerson is talking with the makers of computer projection systems and other companies that cater to the business presentation market about including a free copy of a version of VRCharts with

their products. Maximum PC, a computer magazine that includes with each issue a CD-ROM filled with sample software programs, plans to offer VRCharts Lite in either its January or February issue. And in a few weeks, AlterVue plans to make VRCharts Lite available to be downloaded for free from its Web site at www.vrcharts.com.

"I think it will be much more effective than advertising to get it in the hands of people," Nickerson said.

So, what's the attraction? Partly, its entertainment value.

Zooming in for a close-up of a chart, or showing off a graph from different angles, can spice up a business presentation and keep the audience's attention from wandering, Nickerson said.

Manipulating the data in new ways can be illuminating as well. For example, a pie chart could be used to show two different elements — company size and company growth — by using both the area and the height of the wedge.

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"It's more visually obvious what is happening," Nickerson said.

But the visual sophistication doesn't require computer sophistication.

"Anybody who can create a chart in Excel or Lotus 1-2-3 can very easily use this," Nickerson said.

AlterVue was formed last year after Nickerson met Michael Neacsu, a former technology analyst at the N.C. Supercomputing Center and founder and president of Electrohouse Inc., a start-up

software development company based in Raleigh. Neacsu sold Nickerson on the concept of what he calls "business 3-D," applying virtual reality to the business world. Electrohouse developed VRCharts and receives a royalty on sales.

Nickerson, 52, a 30-year veteran of the computer industry, has kept costs down by creating a virtual company with only three employees, farming out major functions such as marketing.

Still, after investing a few hundred thousand dollars of his own money in AlterVue, Nickerson is looking for outside help. He hopes to land \$1 million in venture capi-

tal that he would use to promote VRCharts.

Nickerson will have to persuade investors that VRCharts this time is ready for prime time. When the product was launched in May, the early feedback from customers was that the product looked great but had a major drawback. During presentations, the user faced the cumbersome task of switching back and forth between VRCharts and software such as PowerPoint.

So, rather than pumping money into promoting a flawed product, AlterVue — and Electrohouse — attacked the problem. The solution they came up with was a sec-

ond product, VRPresenter, that AlterVue expects to launch in a few weeks. VRPresenter, which will cost \$99 if downloaded from the Internet, enables seamless integration of charts and graphs produced by VRCharts into presentations created with PowerPoint, Lotus Freelance Graphics and Corel Presentations.

The market for VRCharts is enticing. Not only are there an estimated 5 million business presenters, but sales of computer projection systems are growing at a 45 percent annual clip. Although there are several producers of high-end "data visualization" software, Nickerson said he's not aware of any company producing easy-to-use software for the business presentation market.

Nickerson likes to talk about how 3-D computer graphics — actually graphics on a two-dimensional surface that give the illusion of depth — have had a profound impact on everything from automotive design to computer games.

"The people who haven't used 3-D are business people," Nickerson said. "The reason is, they haven't had any tools like this to make sense out of it."

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