

Scott Wapner: All right, big debut today for Tableau Software as it begins trading on the NYSE. The company provides data visualization software to a number of large companies. So joining us from the NYSE with more on the company itself is Rett Wallace of Triton Research. Rett, welcome to the Halftime Show. It's good to have you on.

Rett Wallace: Great to be here, thank you.

Scott Wapner: Tell us a little bit about what you do.

Rett Wallace: We are an independent research and data company. We look at private, usually venture-backed, technology, media and communications companies. These companies used to go public pretty early in their lifespans, but like Tableau sometimes they wait ten years or so to go public, so there are tens of thousands of these companies in the private market right now that are very much uncovered, and so we look in detail at these companies. And when a company like Tableau goes public, we sit up and take notice.

Scott Wapner: Sure. I mean, but you're a guy that maybe would be hired by hedge funds, large investors who want some information on an upcoming IPO, perhaps, or just a company in general. So what do you tell them today about this company? The IPO has been nothing short of a raging success.

Rett Wallace: Correct. So there's a lot to like about Tableau. We really like their products. If you think that big data is a theme and that there's more data coming from more places, from more sources coming to more people, the visualization tools that they make are gonna be more important, so we really like that product. The business that they have wrapped around the product is also terrific. It's just an old-fashioned software license business but they also sell services, so they make money on about \$440 million in revenue. Then there's the management team, which comes out of the consumer – the computer science department out of Stanford, terrific management team, owned about a half of the company before it went public, not going anywhere, very passionate about the products. And then of course there's the market – more data for more places, more confusing, so the visualization tools they sell will be more in demand.

Scott Wapner: Yeah. What about their growth going forward? I mean, how much do we know about what their plans for growth are?

Rett Wallace: So that's what this IPO is about. This is a good old-fashioned fundraising event to grow the sales force and to grow the research and development effort, so they can expand both inside of the accounts that they have in the US – they would tell you that it's early days for them – and expand internationally, where they only do less than 20 percent of their revenue today. So, you know, interestingly the first quarter was the first decline we have seen out of these guys. They've grown every quarter since we can see the numbers, and they've doubled almost both of the last two years, so this is both the promise and the question of this company.

Scott Wapner: Yeah, interesting. We'll certainly follow it. Big, big riser today on the first day of trade. Rett, thanks.

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