

EDITORIAL

*Times are not as bad as they seem...*

*Rarely has this been more true than in the current turmoil. While there is no doubting the fact that we are in a global recession, we have now become defeatists, believing that there is a sort of inevitability about the future. The truth is our psyche has been affected.*

*We are bombarded with negativity by journalists living the most difficult of times. Their industry is imploding and the global economy is in a recession : a double whammy by any other name. As a result, their reporting can't but reflect their own anxiety.*

*Look around for yourself. From our perspective, signs of better days to come are beginning to appear. More than ever, now is the time to invest in innovation, grow market share, challenge entrenched industries and provide products which directly appeal to the basic needs and desires of consumers.*

[ COMPANY IN THE SPOTLIGHT ]

## Waratek

### Decimating the cost of large computer infrastructures



WARATEK

**After more than a half decade as a research project into High Performance Computer (HPC) design, Waratek is about to pull back the covers on an entirely new category of computer architecture that's already creating huge excitement in the IT community**

Waratek's Redundant Array of Independent Servers (RAIS) architecture marks a significant paradigm shift in computer architecture, enabling the virtualization of applications across two or more physical servers so that an application appears to be operating in a single logical shared-memory machine with near linear scalability and minimal overhead. RAIS clusters (called RAIS arrays) operate in a functionally similar manner to the popular RAID storage technology by enabling a cluster of multiple independent computers/servers to be operated in striping, mirroring or parity configurations (RAIS Levels 0, 1, 5, and 10) for various levels/arrangements of performance, capability, and redundancy. The most exciting part of the RAIS architecture is that no special programming techniques need to be learned and existing applications do not need to be modified

Previous attempts at multi-processor operation have involved exotic architectures, special programming techniques or constraints on implementation structure. In addition to the increased complexity of building and maintaining traditional distributed computing systems, current solutions based upon distributed shared memory ("DSM"), cluster computing, or large-scale Symmetric Multi-Processor ("SMP") systems suffer from an overall efficiency decrease as additional processors are added. The RAIS architecture brings together an entirely new memory architecture and virtualization technique that enables seamless deployment of shared-memory multi-threaded and multi-tasking applications on clusters of independent servers. The RAIS architecture and virtualization technique are transparent to implementers of new systems and require no modification to existing or future applications.

RAIS is made possible by a unique software virtualization layer that modifies (recompiles) existing application programs written for an SMP machine so as to become operable on a RAIS array without any user or programmer intervention. As a result of this, a

RAIS array retains binary compatibility with the original application code written to operate on a traditional SMP environment without any code change or refactoring at all.

The Waratek RAIS technology is protected by a suite of over 100 patents/patents-pending, altogether representing a new branch of computer architecture and design.

The significance of this technology and its application to solving real world problems in the enterprise and high performance computing environments cannot be overstated: in the words of IDC, "RAIS represents an entirely new paradigm in the market, one that has been sought after by many firms because of the opportunity to address scalability issues in clusters for a broad range of enterprise applications."

Already this year Waratek will be releasing the first RAIS systems to early-adopter customer sites under a Beta testing program preceding general release. Following successful Beta testing, Waratek will begin marketing and selling the first RAIS systems to customers in 2010.

## ABOUT MANGROVE

Mangrove Capital Partners is committed to turn entrepreneurial visions into realities as a means to drive capital appreciation for investors. Our hands-on philosophy in all areas of business and technological development is the cornerstone of our investment strategy and positions us as a true partner for growth.

Mangrove Capital Partners has invested in among other the following companies: Skype ([www.skype.com](http://www.skype.com)), Lumension ([www.lumension.com](http://www.lumension.com)), Brands4friends ([www.brands4friends.de](http://www.brands4friends.de)), Quintura ([www.quintura.com](http://www.quintura.com)), Zink ([www.zink.com](http://www.zink.com)), Woome ([www.woome.com](http://www.woome.com)), Nimbuzz ([www.nimbuzz.com](http://www.nimbuzz.com)), SeatWave ([www.seatwave.com](http://www.seatwave.com)), Enormo ([www.enormo.com](http://www.enormo.com)), Jamendo ([www.jamendo.com](http://www.jamendo.com)), KupiVIP ([www.kupivip.ru](http://www.kupivip.ru)).

Mangrove's Newsletter is a quarterly issue.

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[ PORTFOLIO  
NEWS ]

[WWW.LUMENSION.COM](http://WWW.LUMENSION.COM)

Lumension had a fantastic 2008 in the context of the current difficult economic environment. Strong growth, coupled with rigorous cost management continues to position the company as a leader in the unified protection space.



[WWW.NIMBUZZ.COM](http://WWW.NIMBUZZ.COM)

Nimbuzz is named a Red Herring 100 winner. Following its nomination as a global 100 winner in 2008, the company is named a Red Herring Europe 100 winner in 2009.



[WWW.JAMENDO.COM](http://WWW.JAMENDO.COM)

Jamendo reaches 20.000 albums and launches its professional offering. Customers such as Skoda, Ducati and MTV Italy are embracing the power of Jamendo.



[WWW.KUPIVIP.RU](http://WWW.KUPIVIP.RU)

KupiVip raises \$ 8 million and launches its service in Russia, reaching in just 3 months the milestone of 300.000 registered users. Among others, partner brands include Calvin Klein, Ed Hardy, Pierre Cardin, Diesel, Prada, Polaroid and Dior.

## [ INTERVIEW ]

## A partnership for Russia: ABRT



*Ratmir Timashev, founder ABRT Venture Fund*

### What is the ABRT Venture Fund?

ABRT Venture Fund is a Moscow-based VC company established by Ratmir Timashev & Andrei Baronov, the founders of Aelita Software, who developed a systems management software, and sold the company to California-based Quest Software for \$115 million in March 2004. The Aelita sale became one of the biggest exits of the whole Russian software market.

Our fund specializes in high-growth software, Internet, and technology-enabled companies being at startup, early and growth stage of their development. ABRT's approach is to be proactive all along the different stages and help the companies in the fulfillment of their vision.

### In this crisis, where do you still see opportunities?

During challenging times, value

propositions become more important. Companies are required to have more durable business and pricing models oriented on saving money for their clients. We recommend our companies to concentrate on demonstrating excellent value for their clients as early as possible.

Naturally, we look for opportunities in several areas, but currently are looking more specifically at two. The first sector is the "lead generation market" which is yet underdeveloped in Russia, but has very strong opportunities to grow while companies cut marketing and promotional activities in order to cut costs. In lead generation models, companies pay for contacts of interested potential clients considering this payment not as a cost but as an investment with a clear ROI. Companies that deliver clear benefit to their clients have an easy sales case, even in difficult times.

The second area is virtualization

and cloud computing which dramatically decrease IT running costs for companies. Russian companies have always excelled in this area, and the global market is increasing.

### What is the relationship between ABRT and Mangrove?

ABRT has developed strategic partnerships with several VC around the world. One of the key partners is Mangrove, with whom we co-invest in Russian opportunities.

Mangrove usually acts as the lead investor. ABRT and Mangrove have already been working together for 2 years, invested in several projects and become the catalyst for growing the Russian Internet (RUnet) market. Together, we have deep technical and managerial expertise in helping our portfolio companies accelerate their growth. Whether the team is looking to build sales operations in the US and Europe, define the marketing or product strategy, or hire the right people to strengthen the management team, ABRT and Mangrove provide the right resources and expertise. Mangrove provides the experience from Europe and American markets - while we have the network and knowledge to maximize success in Russia.

