

Oklahoma Innovations Radio Show

Air Date: August 30, 2009

Guests: **Gerald Buckley**, Grocio.com, and **James Randall**, i2E

[Music]

>> From the OCAST Radio Network, this is *Oklahoma Innovations*, a weekly science and technology radio magazine brought to you as a service of OCAST, the Oklahoma Center for the Advancement of Science and Technology. OCAST is the state's only agency whose sole focus is technology, its development, transfer, and commercialization. OCAST mission is to identify and fund promising research in technologies that allow Oklahoma to compete in a global market economy from our own backyard. This program features some of the state's most gifted and talented scientists, inventors, entrepreneurs, manufacturers, and business leaders who all have one common goal, developing technology-based economic growth for all Oklahomans. Now here are your hosts, Gary Owen and Steve Paris.

>> Happy weekend to you. We hope that whatever you're doing this weekend that it's enjoyable, you're getting some rest from having a long, hard past week. But we always have fun on the weekends when we do this radio show, *Oklahoma Innovations*. Gary O.

>> And Steve Paris.

>> And boy, it's hard to believe we've been doing this program 14 years, countless, hundreds of guests we've had related to science technology, whether they're in R and D, whether they're in business, whether they're in finance, education, I mean just covers the gamut.

>> It does, Gary. And what you describe, you know, the 14 years we've been doing this show there were people early on, well, it will last three to six months. Here we are 14 years later. But you know who was responsible for that? Our guests are. We have some of the best guests in Oklahoma, in the world.

>> That's right.

>> And we have folks that run the gamut from doing research to attracting venture capital and all other types of capital, starting up businesses that we didn't have in this state just a few decades ago when OCAST was first created. So we're very proud of what's happened, we're very proud of the researchers and the businesses we've been able to support.

>> Want to talk about our guests today, kind of tease you before we get into our monologues here that if you are a conservative budget shopper, you like to save money and you're a couponer, boy, we've got a show for you today.

>> Don't we.

>> High-tech.

>> Yes. I mean, did you ever wake up in the morning on shopping day, want to go to the grocery store. Who's got the best prices? I don't know. Maybe this one has a better price on this particular item, but maybe the other one is ten miles to the other side of town. Well we have a way now with a company called Grocio that can tell you how to -- how to know where the best prices are, and save you all the wear and tear and hassle of clipping out coupons. And we'll hear more about that in just a few minutes.

>> That will be a very interesting program. We'll find out how this technology came about. What's going on in the world of OCAST this week?

>> You know, at OCAST we're getting ready to work with some of our strategic partners. One of them is the Oklahoma Manufacturing Alliance. We talk about them a lot.

>> We're going to be at this conference.

>> Yes, we are. The 2009 Oklahoma conference on manufacturing is scheduled for September 22 at the Double Tree Hotel at Warren Place in Tulsa. Be there if you're interested in manufacturing. And they're going to have guest speaker Edward Hill, many speakers, but he is the keynote speaker. Distinguished author, economic development expert, and national chairman of the Advisory Committee For the Manufacturing Extension Partnership. Also they're going to have Steve Hendrickson, director of strategic planning, communications, and government relations for Boeing commercial airplanes. So if you're interested in manufacturing be it small, be it medium, be it large, you need to be in Tulsa September 22 at the 2009 Oklahoma Conference on Manufacturing, sponsored by the Oklahoma Department of Commerce and the Oklahoma Manufacturing Alliance.

>> Which is a great organization for manufacturers in our state.

>> You bet.

>> Yep. And anything -- any new programs that we need to be aware of, any awards that we need to be aware of --

>> Well, actually, we've not -- not since we last talked, Gary, no.

>> Okay.

>> But we've got some working. We've got applications coming in as we speak on the intern partnership program. And I don't have the date in front of me, but that's not too far down the road we'll be awarding some of those. And we've got other researchers working on several projects, several contracts, that have to do with R and D and the various programs. So we'll keep you informed on those dates and let you know when you need to apply.

>> In science news this week U.S. researchers say they have found a way to make a large-scale flexible display screen that can be stretched to fit the contours of the bus. Yet are transparent enough so that riders can see out the windows. In fact they're saying the thin light screens might be used to make brake light indicators that follow the contours of a car or health monitors or imaging devices that wrap around a patient like a blanket. Now wouldn't that be something. You go in and they wrap you with this thing and it images your whole body. How about that. That would be some interesting technology coming out. And a report from the proceedings of the National Academy of Sciences say researchers have a new clue to the collapse of honeybee colonies. You noticed honeybees have kind of been --

>> Yes, I have -- worrisome . . .

>> Yes, it is. Well, they're saying that the collapse of honeybee colonies across the country, damage to the bees' internal factories that produce proteins. Theories about the cause of colony collapse have included viruses, mites, pesticides, and fungi. The new study of sick bees disclosed fragments of what they call ribosomal RNA in their gut, an indication of damage to their

ribosomes which make proteins necessary for life. RNA which is from DNA is central to protein production.

>> And you know why it's important to people?

>> Tell us.

>> Well simply because honey bees are a major part of the pollination process for our crops. Alfalfa crops -- well, any number of crops. And it's a very important part of our food and fiber. So if you don't have honey bees --

>> That's serious.

>> You may have a starving problem. So luckily they've finding a solution to that very soon.

>> I hope so. Those of you who are thinking about getting swine flu vaccinations, they say it will likely be Thanksgiving before a significant number of Americans who get the swine flu vaccine are protected. Now the reason is health officials believe most people will need two shots spaced three weeks apart and it will take a week or two after the second dose before immunity kicks in. That's five or six weeks in all. That means large numbers of Americans won't be fully immunized until Thanksgiving. Well here's an interesting story. Women with more testosterone tend to behave more like men when taking financial risks according to a new study. Women with higher levels of testosterone turn out to be less risk averse, more willing to take risks. This is according to a study at the University of Chicago. Previous research in England showed that higher levels of testosterone seemed to boost short-term success at finance. Now here's something interesting. They did a test on about 500 MBA students. And it turns out that women with higher levels of testosterone were almost seven times more likely to take risks than women with lower hormone levels. Isn't that interesting? In you're a multitasker you'll want to hear this story. The people who multitask the most are the ones who are worst at it. That's a surprising conclusion of researchers at Stanford University who found multitaskers are more easily distracted and less able to ignore irrelevant information than people who do less multitasking. And Clifford Nass a professor at Stanford, Stanford's communication's department said the huge finding is more -- the more media people use the worse they are at using any media.

>> I think Gary, that I drive behind a lot of multitaskers who go to work every morning.

>> Well, there you are.

>> Putting on makeup, talking on their cell phones, using their iPod.

>> Well apparently what they did is they studied 262 college undergraduates dividing them into high and low multitasking groups, and comparing such things as memory, ability to switch from one task to another, and being able to focus on a task. Their finding was when it came to such essential abilities people who did a lot of multitasking didn't score as well as others. Still to be answered is why the folks who are worst at multitasking the ones doing it the most.

>> They need the practice I guess.

>> I don't know. And this I thought was funny. This one is a story out of Melbourne University. Traffic noise could be ruining the lives of urban frogs by drowning out the seductive croaks of amorous males. You see, if there are a number of different males calling the one that sounds the best often gets the lady. So you have to be pretty clear about your assets if you're a male frog. A well projected and energetic croak is the male frog's most important asset in the quest of

attracting a mate at his pond. But the competition from traffic noise in Melbourne could be a reason why frog numbers have declined in Australia's second largest city since her survey of more than 100 ponds began in 2000.

>> A case of nature thwarted.

>> And now Steve has our innovations in history.

>> Thank you, Gary. It was August 22, 1906 the Victor Talking Machine Company marketed the first Victrola with a speaker in the cabinet. It was priced at \$200. The first elevator was installed August 23, 1859, at the Fifth Avenue Hotel in New York City. A patent was issued on the same date in 1904 for the first automobile tire chains. And it was on August 4 of 1891 that Thomas Edison received a patent for his motion picture camera. The classic race between a horse-drawn train and one powered by a steam locomotive took place August 25, 1829. And believe it or not, the horse won.

>> Ah.

>> If I had been there I wouldn't have bet on him. August 27 was the date in 1859 that Colonel Ed L. Drake drilled the first successful oil well. Okay, that was in the United States, it was near Titusville, Pennsylvania. And you thought it was somewhere in Oklahoma, didn't you?

>> Hmm, I did.

>> Also on August 27 in 1867 the railroad crossing gate was patented. And the first prototype jet plane was flown in Germany 66 years ago on the same date. Fortunately for the Allies, the German military was unable to get very many jets in the sky before the end of World War II. And those, Gary, are a few of our more remarkable innovations in history for the month of August

>> Very cool. We're going to talk about saving money, saving money the high-tech way. We have Gerald Buckley who is the founder of a new company called Grocio, and we also have in the studio with us from the Tulsa branch of i2E James Randall, who is director of enterprise services there, and Grocio is based out of Tulsa. So for those of you who are in our KRMG listening area you'll want to listen up, because this is a cool company in your city.

>> Yes, it is. And I guess we've got a little time to the interview.

>> We've got one minute.

>> We've got one minute. So let's not introduce our guests just yet.

>> Let's talk a little bit about what we're going to do, though.

>> Exactly. Grocio. If you're out there and you're into grocery shopping -- and who isn't -- you're always going to be wondering where are the best prices, where should I go to make the -- get the best deal. Well, we may have that solution for you right now. And it's a company called Grocio, headquartered in Tulsa. And Gerald, that you mentioned earlier, Gerald Buckley is going to talk about what we has done to get this company up on its wheels, so to speak.

>> Well, just imagine grocery shopping virtually on line. Grocery price comparing, aisle to aisle, store to store. And couponing. All of those things are part of what we're going to talk about. Now I know that you know, I can recall a decade ago they would say you know, you're going to be doing everything on line. You're going to be shopping, you're going to -- whether it's

clothing, groceries, automobiles -- look what happened to the automobile industry. General Motors just announced, hey, go to eBay and buy your car, and then just go to your dealership near you and pick it up. I mean, how cool is that? You know, and you just cut through the hassles. Well, that's just a sampling of things yet to come, people. So if you're interested in grocery shopping on line, want to find out how to save money, our next guest should give you great insight on how to do that right from your computer. Stay with us. A lot to come on *Oklahoma Innovations*.

[Music]

>> Imagine not being able to see your daughter on her wedding day, or experiencing your grandchild's first smile. An estimated 1 and 3/4 million Americans over age 50 have developed a loss of vision or blindness due to age related macular degeneration. And of course more than 200,000 Oklahomans living with diabetes, 90% will develop eye disease. With the support of the Oklahoma Center For the Advancement of Science and Technology, an Oklahoma company is developing innovative treatments for blinding eye diseases. The research will improve the lives of people across the nation, create new treatments that are more comfortable for patients and prevent vision loss. OCAST is looking for Oklahoma researchers serious about investigating new treatments and products that improve the quality of life and the economy for Oklahomans. For more information call OCAST toll-free at 866-265-2215, or visit their web site at ocast.ok.gov. Investing in science and technology, it's good for your health.

>> Now in its 14th year, this is *Oklahoma Innovations* on the OCAST Radio Network.

[Music]

>> This is one of those shows that you're probably going to want to send people to the OCAST web site and so you've got to listen to this. This is cool. We have with us in studio Gerald Buckley. He has taken an online business and really gaining some notoriety with it. Grocio offers online grocery price comparisons for shoppers. And hosting him along is James Randall, director of enterprise services at i2E. Grocio, tell us a little bit about -- first of all -- before we talk about the company, let's talk about you. Because before you got into this what were you doing?

>> Sales and marketing for a variety of different companies. So Thrifty.com, was a general manager for Thrifty.com, and that's really where I started cutting my teeth on large transactional web sites.

>> And what was that, Thrifty.com?

>> Car rental. Online car rental, travel space. Right prior to 9/11 an the collapse of the travel industry.

>> And Thrifty has a major presence in Tulsa, of course.

>> Of course.

>> So the idea of building a large web site, a property where people can come on, do their business, and be on their way. That's really all I know of online.

>> Are you a native of Tulsa?

>> I am. I'm a native Oklahoman. Been in Tulsa all my life. Travelled the world, but Tulsa is home.

>> Tulsa is home. You've travelled, have you ever lived anywhere else in your travels?

>> No, not really.

>> Tulsa is it.

>> Extended visits to family.

>> Very good. You've got a company, Grocio.com. And that concept came to you or came to somebody, and they suggested it to you. Give us the Genesis of Grocio.com.

>> Well, you probably experienced this. You go into a grocery store, you pile in a bunch of things into the cart. And it's kind of a roll of the dice. How expensive is this going to be. And you don't really find out until you get to the counter, it's either more or less, but there's some uncertainty there. Well we did that after our first child was born. My wife and I went to a grocery store, we piled in all the usually stuff, the things that would have been predictively priced. But then we added baby stuff. And we came out of there with a great big shock. And having the experience with Thrifty.com, I was familiar with comparison shopping for travel. We participated a lot in that, and we out performed our natural market share at Thrifty that way. And I thought why isn't there a way to do that sort of comparison shopping for groceries on line. This is was in 2000. And even today there's not a competitor to Grocio.com. This is the only place you can do that sort of thing.

>> Now Gerald, let's be very clear with our audience right here. This is not something where you go on line and order your groceries and have them delivered to your house, that's not going to happen. That's not going to happen yet anyway. And your point here is you're trying to help the consumer to find where the best prices are available so they'll know where to go shopping.

>> It's a fact finding tool, it's a research tool. Only from a grocery shopping perspective.

>> Okay, let's talk about how you set it up because -- you're right at the point where you just launched or getting ready to launch.

>> We launched our beta. The -- the registrations started for registered shoppers started September 10, 2009 -- 2008, sorry. And all this time we've gathered 18,000 registered shoppers across -- 18,000, no marketing.

>> Really?

>> So it really resonates.

>> Now where are they located, mostly Tulsa?

>> All 50 states. The -- the concentration is really west. If you drew a north south line through Oklahoma City, it's mostly east of that line. The western half of the United States, not so much. So I don't know what's going on.

>> Not yet.

>> Not yet. Thank you James.

>> There you go. You've got expectations. And that brings James Randall, who is director of enterprise services for i2E, and is headquartered in Tulsa now. I2E has a presence state-wide.

>> Statewide.

>> We go anywhere, right, to help small businesses become -- become -- create small businesses. So tell us a little bit about i2E and your involvement with Grocio.com.

>> i2E, we are a strategic partner of OCAST, Oklahoma Center for Advancement of Science and Technology. Our mission is to promote the innovation of economy within the state of Oklahoma. So how do we do that. We work with Oklahoma-based early stage technology companies. And so I warn companies that I work with right out of the gate I ask a lot of questions. And I think Gerald would probably attest to that.

>> I'm grateful for those questions.

>> Well, they're great questions, and they may make you feel a little bit uncomfortable because if you've not addressed some of these, some of the researchers or the people who come up with the ideas, it's a new world for them to have to try to respond to the questions, the tough questions that James, you have to ask.

>> That's it exactly. It's better to ask them with me and address those with me, a friendly face, versus in front of an investor or a potential customer or strategic partner.

>> Exactly. And part of the role that you play is you help prepare the entrepreneur for meeting with future investors, for meeting with people who have maybe a vendor of some sort, are going to have a role to play in that company's success.

>> Exactly. Exactly.

>> And I describe it sometimes you take a rough diamond and knock the edges off and make it a beautiful gem when you're finished. So that's what the -- we've use that example in the past, of knocking off the rough edges, because you've got to be prepared when you go meet the investors or you don't get the money.

>> The planning is a lot of hard work, and I think a lot of individuals, entrepreneurs don't realize that. Some do, some don't. It's a lot of hard work, but it's time well invested.

>> Well, for some reason I thought this was pretty much just in Tulsa, but you've got it all over a big part of the United States. How are you signing up the grocery stores, how do they know to be a part of this?

>> It's slow. We've slogged through the process. It's free to the grocers, so it's free to the consumers as well. There's no easy answer to that.

>> So the ones that know about you, and how are you getting the word -- of course you talked about you've not done any marketing yet, but somehow they got the word.

>> There's a lot of word of mouth, there's a hand written letter campaign that I send out to the sea level executives of grocery stores across the U.S., we're a member of the National Grocery Stores Association, so we're plugged in to the -- basically the grocer ecosphere. We --

>> And what about manufacturers?

>> We have really good relationships with the top manufacturers like Kraft, Proctor and Gamble, et cetera.

>> That kind of helps in the coupons side of it.

>> Absolutely.

>> You bet.

>> Quick question. Have you had any response from grocers or the people who -- food processors -- that were afraid this was going to drive prices down or anything like that. Is that a fear they have?

>> We've had a spectrum of responses from the grocers, as you might imagine. I have a letter that I'm really proud of. I can't share the name of the chain, it's a very large chain in southeast --

>> We'll talk about that when we come back.

>> Our guest this week is Gerald Buckley, company called Grocio out of Tulsa. More to come on *Oklahoma Innovations*.

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>> This is Oklahoma's science radio magazine, *Oklahoma Innovations*, with Gary Owen and Steve Paris on the OCAST Radio Network.

>> When people think about science and technology they imagine the future. Although researchers are developing the technology and treatments of tomorrow results can be seen today. And investment in OCAST yields immediate return to our state through increased salaries, higher productivity, and a diversified economy. Oklahoma is an emerging global leader in science, technology, research, and development, with a work force that continues to improve both in incomes and education levels. Oklahoma can achieve a dynamic economy with a culture of innovation and new opportunities that attract and retain bright, creative people. Creating opportunities, improving the economy, and investing in our future. That's what OCAST is all about. For more information call OCAST toll-free at 866-265-2215 or visit our web site at ocast.ok.gov. An investment in OCAST is an investment in Oklahoma for today, and tomorrow.

>> As you drive across Oklahoma you can see thousands of gas wells sprinkled throughout the country side. Many of these wells don't produce enough natural gas to justify pipelines. But without this access thousands of well sites are abandoned. With the support of the Oklahoma Center For the Advancement of Science and Technology one company is creating a portable device transported on a flat bed truck to process natural gas at well sites. This technology optimizes the amount of gas that can be captured and releases no by products into the atmosphere. This idea provides new opportunities for small oil and gas producers while bringing us one step closer to energy independence. Supporting innovation. That's what OCAST is all about. OCAST is looking for small business owners serious about investigating new products, services, and processes. For more information call OCAST toll free at 866-265-2215, or visit their web site at ocast.ok.gov. Investing in research and development, it pumps new life into Oklahoma's economy.

>> Research and development, technology transfer, and commercialization. Creating high-paying jobs in Oklahoma is what OCAST is all about. This is *Oklahoma Innovations* on the OCAST Radio Network.

[Music]

>> With a resume that includes web development for Pen Well, Market Drills, National United Way, Saint John Medical Center and Thrifty Car, our guest and Tulsa businessman Gerald Buckley has created an online grocery shopping comparison site called Grocio.com. And appears

now that all that previous experience is focused on developing a potentially game-changing business for both consumers and retail grocers. Steve?

>> Exactly. And you always have challenges, Gerald. And one of the challenges you have right now is convincing grocers to sign up. Got most of them. There's a couple of them that you're still working on. And when that happens you're going to have a big launch here in Oklahoma, right?

>> That's right.

>> So tell us what this launch involves.

>> Well the launch looks something like this. Day one, you go to the web site. Supply your zip code. We need to know where you are on the map. And then you select your grocers. Obviously we'll only be presented grocers that operate near -- near by zip codes. Complete your shopping list, and then we come back and tell you of the grocers that you selected which one has the least expensive check out. It's really pretty simple. Then the thing that I believe will keep people coming back for more is the digital coupon matching. So you've given us your shopping list --

>> I clip coupons before. That's not fun.

>> You know, there are people who save a ton of money by clipping coupons, and there are systems all around this thing.

>> It's so time consuming.

>> Yes, it is time consuming.

>> Yes, but boy, sometimes when you look at the bottom line it's worth it.

>> You bet.

>> It is.

>> No doubt. Michelle --

>> There's some women that have written books on this, that they've made a living doing this just in the money they saved, it's incredible.

>> There's some great web sites out there that make it a little bit easier. But there's still no one out there matching the available coupons that are on line and bringing them matched to your grocery list. How cool is that?

>> I want to go back -- before the break you were talking about a letter that you didn't get time to elaborate about.

>> Yeah, so the difficulty in all of this is partnering with the grocers. Hopefully providing them with ample reason to participate. But there was one grocer in particular in the early days that was kind enough to respond with a handwritten note of his own and said absolutely number no circumstances, no way, no how. So this site isn't necessarily going to be maybe for every grocer out there. There are some operators that just aren't going to participate in the value space. And that's okay.

>> Well the ones that do, there's the potential of your company driving more people to their grocery store.

>> There are a lot of things. And some of it is helping them get their pricing message out. If they have specials on certain items and it's compelling savings, then that will help increase their turn, get those things off the shelf.

>> Now without mentioning names thus far, the research that's been done is there some surprises about the price shopping comparisons that you found and the results.

>> I think the one thing that you can count on with this is no one grocer is going to win every time.

>> Everybody has their specials, everybody has their low price day or double coupons or whatever. And I guess Grocio will tell you, Grocio.com will tell you, all right, based upon what you're asking about you can get the lowest shopping bill by going to this store, or to you need to go to two or three stores to accomplish that?

>> There will be a method available to say if you're willing to do split shopping, if you're willing to go to multiple stores to save even more we'll accommodate that. And we're mulling right now whether that's a premium service or if it's stock, you know, just an add on.

>> You just brought up a question. Obviously, you can't run this business, you can't run Grocio.com without making some profit.

>> Right.

>> Where does the profit come from?

>> Early on James actually challenged me. What -- how are you going to make money at this. And I came back with maybe half a dozen possibilities. And a couple that stood -- seemed to stand the test of time. The direct answer is it's free to the consumer, it's free to the grocer. How do you make money? Investors are asking that question. The coupons actually turn out to be the way that we'll -- the primary vehicle for revenue generation. So every time we distribute a coupon to you we wind up being compensated from Proctor and Gamble, from Kraft, a coupons.com. 1 cent, 2 cents, 3 cents.

>> Is the grocer compensated? I mean, traditionally they've been compensated for that.

>> Even today the grocers still have to have a physical coupon to remit for face value and handling. They're compensated for the discount they pass long to you. So the manufacturer provides --

>> So you're looked at as a marketing vehicle for manufacturers and so they're paying you a couple of pennies per coupon that is distributed as the payment for your marketing.

>> That's right.

>> Okay.

>> So if you have a customer who submits a grocery list for which there are no coupons available you don't make any money on that guy, right?

>> That's right.

>> Okay.

>> So what you're banking on is people will come to your web site in addition to or as opposed to using traditional paper coupons? More and more people are doing on line that way anyway.

>> That's the tendency we see anyway.

>> Yeah. Interesting. Any feed back from the public. You said you had 18,000 hits so far. Talk about that. Any comments?

>> In the registration process at Grocio.com there's a paragraph-size spot where you can put comments in. And some people put in nothing. Some people put in really neat comments. But occasionally some will really touch your heart, like I need you to launch this now.

>> Wow. Well you're timing is certainly good because of the economy we know that. Timing is everything for a business like yours.

>> And something you mentioned during the break a while ago, we're coming up on the holiday season. And that's when people buy a lot of food.

>> You know, the next three months are going to be the peak grocery-buying seasons we have. Thanksgiving, you have Christmas, you have new years, and then football championship.

>> Tailgate parties, all that good fun.

>> You got it.

>> How has OCAST played a role in the progression of your organization?

>> The best part was challenging some of the assumptions. We got into a really early dialogue about what the -- the good and the bad of the business were, and the critical thinking that came about was absolutely the best. I mean, qualifying for the TBFP award was really nice.

>> Which by the way is managed on our behalf by i2E.

>> Correct.

>> And --

>> Do a great job with that program --

>> Now for our listeners who don't know what that is, explain what the TBFP award is.

>> Yeah, James.

>> Yeah, the TBFP, that is the Technology Business Finance Program. And that is a \$100,000 award, but it is critical capital. It's proof of concept capital. So it's for an early-stage company who has developed the technology to the point where they're needing to develop a beta platform or a test platform. But it may be cost or capital prohibitive. Technology is expensive. And so that was \$100,000 that was well spent on behalf of Gerald and --

>> And if I may say that one of the features of the program is that successful companies, and there have been quite a few -- pay the money back with a multiplier. And that money goes back into the program to help other entrepreneurs in Oklahoma down the road.

>> That is correct. It is a refundable award and has some very attractive features, which I won't go into detail here. But the idea is that when the entrepreneur is successful they repay that, and help fund additional entrepreneurs and start up technology companies.

>> From an entrepreneurial point of view, it's -- I'll stop short of calling it an endorsement, but it is a validator.

>> Right.

>> You know, you're an entrepreneur with it, you're an entrepreneur without it. Who do you think is going to have a bit more gravity.

>> To that point the process to obtain a TBFP award is very rigorous.

>> Exactly. And I know James wouldn't say this because it would be considered bragging, I will brag, okay? TBFP, i2E does a remarkable job in working with companies like yours. It's not just you get an application and turn the money over. You have to go through a lot of steps and has to be -- as he indicated -- validation. That's the key. And that's what i2E brings to the table is good, solid validation of your business. So -- now you had other sources of funding and you're looking for even still more. Talk to us about that. The initial funding comes from where it usually comes from, family and friends, right?

>> Friends and family. That's right. So I put up the initial at risk capital myself. And you know, it just kind of came in from there.

>> There you go. And then you got the TBFP funding. And you're current -- wait a minute, we left one big one out. The Tulsa Mayor's Entrepreneurial Spirit Award. That was a big one. Talk about that, \$30,000.

>> You know, in parallel, this -- that was running in parallel with the TBFP process, the OCAST process. And talk about going through two boot camps simultaneously. So much fun. I --

>> And it was challenging, I'm sure.

>> Very.

>> Well, thanks to the mayor's office in Tulsa for backing you, and backing other entrepreneurs. That's wonderful. Now we're down to just a very few seconds here, we have another segment coming, but let's talk very briefly about -- you're looking for about another \$130,000 worth of seed funding, right?

>> Of seed. And it -- during the OCAST TBFP process it was do we raise the seed, do we just go to the series A. So one of them is going to hit before the other, no telling which.

>> There you go.

>> My goodness. Wow. Our guest is Gerald Buckley, he's launched a new company called Grocio.com. And we encourage you to go check it out. We've still got one more segment to go and we'll find out what future is on the --

>> There's more to learn at *Oklahoma Innovations* with Gary Owen and Steve Paris on the Oklahoma radio network.

[Music]

>> > The stress of finding a job after college is compounded for recent graduates entering a tough job market. But thanks to the Oklahoma Center For the Advancement of Science and Technology more students connect with the state's most advanced technology companies while earning income and valuable on the job training. Through the OCAST R-and-D intern partnership program, students gain experience in the industry, work with mentors, and operate specialized instruments. Intern training leads to starting salaries 12% higher than Oklahoma's average per capita income. OCAST is investing in Oklahoma's best and brightest. Creating jobs, investing in our future. That's what OCAST is all about. OCAST is seeking intern partnership

opportunities that will allow Oklahoma students to gain hands-on experience in science and technology careers. For more information call OCAST toll free at 866-265-2215, or visit their web site at ocast.ok.gov. The future of Oklahoma looks bright.

[Music]

>> This is a program about science, research, technology, science and business, science education, science finance. Our guest this week is Gerald Buckley with -- he's the founder of a company called Grocio.com, and also James Randall from i2E. Now Grocio.com costs nothing for subscribers to use, so you can go to there and check it out. They're already providing links to online coupons, and the company gets paid as the company earns a small distribution fee from product manufacturers for every coupon downloaded from the web site by consumers. So we want to help our client make a little money here. Just download some coupons, okay? And -- I'm signing up.

>> Hey, you know?

>> I've heard enough. I'm going to sign up for this. You know, Gerald wants America's grocery shoppers to roll their virtual shopping carts down the online grocery price comparison aisles of Grocio.com, where they can literally compare apple to apples, and everything else that's on the shelves, right Gerald?

>> That's right.

>> You bet.

>> This is wonderful. Let's talk about -- you're looking for seed funding. We kind of just barely touched on that. How do you do that. Where do you go. First, i2E is one of the places you go. But that's not the only place you go, right?

>> Well, you touched on it before the break. Friends and family, self-funded. I've been in bootstrap mode now for two years, and it feels real comfortable. Now it's time to go for the expansion capital and grow this thing out and go wide. So Oklahoma typically is considered to be fly over country by the venture capital crowd.

>> But historically, that's changing.

>> Right. It is changing. And that's what's so encouraging is that there some things that I see here on the table that -- that venture capital crowd is now gravitating toward the central U.S..

>> They're paying attention.

>> They're paying attention, and that's a great thing.

>> And a lot of that credit -- a lot of people, but i2E plays a major role in getting those folks focused on Oklahoma.

>> I've seen that happening first-hand. It's really cool.

>> You bet it is. Okay, I know you're busy and you can't really talk about exactly what you're going into because it might squirrel the deal, but you're in that mode, you're looking for some other investors.

>> Right.

>> More investment. That's forthcoming. Let's talk -- and you know, a minute about -- about where do you see this, we're not quite there at the end of it quite yet, but where do you see this business 5, 10 years down the road.

>> So entrepreneurs are often asked either from bankers or whoever what's your exit strategy. Your exit strategy. And there are finite number of things. You either plan for sustained growth and viability long term, which we definitely are. Or there's a -- the positioning for acquisition. And sometimes those don't have to be mutually exclusive. So you're growing for growth, you're building shareholder value, you capture the attention of big corporation X, Y, or Z, and you find yourself in talks. So --

>> At that point you have to make a decision. Do you keep it, do you sell it. If you keep it are you going to be able to grow it bigger than you would have if you just taken the money and run.

>> There's always that.

>> Yeah. So you're going to have a lot of options coming down the road here in a little bit. How long do you think it will be before you consider this company to be -- I know it's kind of up and running now, but up and running where it's sustainable. What's your time table?

>> The plan from launch to nation wide, small towns, Laramie, Wyoming, is 18 months.

>> 18 months? Pretty fast.

>> Pretty fast.

>> Now you're a member of several organizations, National Grocers Association, I miss-named that. Are they going to help you do the marketing on this?

>> Well, they present opportunities. They act as a conduit basically to the grocers. And they help stream line those conversations, they give us a form of introductions and platform.

>> I've got a question that I was going ask a while ago, and it just came back to me. Say you get on line, you put in your information, you hit submit or send or whatever. How long does it take to get the information back?

>> The answer today is radically different than it would have been a month ago. The code -- it's also being developed here in Oklahoma.

>> Right.

>> We have one developer in London, Kentucky. But it's being primarily developed in Oklahoma. And our developers discovered a way to make this so much faster than it was even a month ago. So it's Google-fast.

>> Really?

>> It's super-duper fast.

>> So you don't have to wait?

>> No. It's --

>> I mean, any reasonable time.

>> It's reasonable.

>> Outstanding.

>> What question I have for you in the competitiveness. Do you have any competition out there that's doing anything similar? Now there are some couponing web sites out there.

>> Sure. From a comparison shopping point of view, the competition is the newspaper. The circulars that are the newspaper. So just like Craigslist turned itself into a competitor with newspaper classified, it could be that we wind up being a competitor to the newspapers.

>> Hmm. Interesting.

>> Hmm. Let me just kind of read some words here that -- some of them clearly that you provided. This is the type of response that you can get. Your four items will come to \$5.85, and are most affordable at -- and we won't name the store -- but at a certain store at a certain address in Tulsa, and they have the telephone available. So if you want to call you can do that. Saving you 11 cents over the next cheapest store. Your shopping list and coupons are ready to download in PDF format. So that's the kind of message you get back once you get to Grocio.com.

>> It's pretty succinct and straight to the point.

>> Yeah. You bet. I --

>> How does this work as far as the research aspect of it. When you -- how does this machine work comparing store to stores, prices to prices.

>> The prices come direct from the grocers. And because grocers carry the same UPCs --

>> Now when you say it comes from the grocers, are they providing that or is that something that's available to you.

>> Every participating grocer is supplying us with their pricing.

>> Really?

>> Yeah.

>> Wow.

>> You know, the question, and you touched on it a little bit ago, is okay, this has a tendency to even maybe drive prices downward, which you know, store owners may not necessarily like that. But it also has the potential of increasing their -- if they're going to be competitive it might increase their volume too, make up for any reductions in price.

>> Sure.

>> So you've got the competition going there, and -- which is a good thing for the consumer, and maybe a good thing for the very competitive store owner too.

>> But you know, there's a precedent here. If you look at the travel space when I'm really familiar with, all of the comparison shopping engines that are out there, they did nothing to drive the prices down.

>> Hmm.

>> So I think that there's a corollary here between Grocio.com and some of those online comparison shopping sites for travel. I don't really anticipate that we're going to be the causal factor for driving any prices down.

>> But you are going to help the consumer identify where those lower prices are.

>> That's right.

>> There you go. I think this is an idea whose time has come. You mentioned the technology and the question that I asked you about the time, how long it takes to get a response. Talk to us a little bit about the technology and what's being developed.

>> You bet. So there may be some people in the audience today that are itching to start that online venture of their own. It is so inexpensive these days to go out and lease server space. You don't even have to own it any more. You just take out your credit card, go to Amazon web services or any of these cloud computing services that you hear so much about, and you pay by the drink or pay by the sip. You pay for only what you use. It's metered. And it's -- it's so much more economical. Those services have the engineers on staff. You don't have to staff up for that sort of thing. It's fantastic. It scales really nicely.

>> James, this guy must be fun to work with, right? These concepts, I mean, you've got to really get into this. When you hear about the potential for success and you're looking at issues of helping raise capital. Give us a little bit overview of how you see Grocio.com. Obviously, you think it's going to work or you wouldn't be involved in it.

>> That is correct. I've been working with Grocio or Gerald specifically since 2007, so it's pushing a couple of years. But when he first came in it was an idea. And so we started the commercialization process and kind of walked through very methodically. But you know, here we are about two years later. He has a product, he has a beta launched, getting ready to have a full commercial launch. I'm excited for him, his passion, his enthusiasm, his subject matter, expertise, they all show. I think he will be successful.

>> Okay, now obviously we can't talk about who our potential investors, that just wouldn't be the right thing to do. Because we have an obligation to those folks to maintain their anonymity. But obviously you talked with some of the investors, some of the potential investors, and what kind of responses are you getting from those folks?

>> Responses have been favorable and they see the opportunities --

>> And this is the toughest audience you have to sell to, the investor is the toughest audience --

>> It is absolutely. But when you take a step back and look at the market problem we always encourage the entrepreneurs -- what is the market problem? The market problem is significant. What is your value proposition, what is your unique solution. And so Grocio.com is solved on both fronts. Now it's the execution. There are some execution small challenges that still exist. Primarily, grocer participation, and everybody recognizes that and Gerald is taking the right steps to secure those players. And once that final domino drops, so to speak, he's off to the races.

>> There you go.

>> I have a challenging question for you from a consumer that may be listening to this and saying okay, if I go to Grocio.com just on a percentage how much do you think I would save for an average family of four, how many do you think I'll save in groceries, in percentage, on average.

>> The savings on the comparison shopping component is going to probably fall within the \$5 to \$7 range per visit. But when we kick in the coupons it really boosts that up. So in the neighborhood of \$20.

>> Great.

>> \$20? Whoa.

>> Per visit, times 30 or 40 visits per year. So --

>> Guys, we are out of time. Thank you Gerald and James for being our guests, and Steve --

>> Gary.

>> We'll see you next week. Remember it's Grocio.com. See you next week on *Oklahoma Innovations*. Have a good week.

[Music]

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