## Business challenge

Challenged by combing multiple content sources to find investment opportunities, Catalyst Investors sought a more efficient way to maintain a healthy pipeline of prospects.

## Transformation

Catalyst engaged IBM® Business Partner® Coalesce.Info to deploy an automated research tool powered by IBM Watson® services. The solution finds, filters, analyzes and monitors companies for early signs of investment opportunities, helping speed investment sourcing.

**Greg Woolf**
Founder and
**Chief Executive Officer,
Coalesce.Info**

## Business benefits

### Highlights
**the 1% of content**
that is most relevant and valuable and filters out 99% of irrelevant content

### Delivers
**actionable intelligence**
on 20% of prospects in the pipeline

### Updates
**prospect pipeline**
automatically by monitoring companies for early indicators of investment opportunities

# Catalyst Investors

## Identifying investment opportunities more quickly using Coalesce.Info and IBM Watson offerings

Catalyst, founded in 1999 and based in New York, NY, is a private equity and venture capital firm specializing in late venture, growth capital, acquisition and other investments in emerging growth companies. Ranked among the top growth equity firms by GrowthCap LLC, Catalyst invests in rapidly growing technology-enabled businesses in the cloud computing, wireless infrastructure, and business and consumer services sectors, among others.

*"Partnering with Coalesce has been a tremendous time saver and value-add for our research process."*

—Isaac Schlecht, Senior Analyst, Business and Research, Catalyst Investors

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## Hunting for opportunities

To find and evaluate potential business opportunities, private equity firms often have to sift through volumes of online content. It can be a painstaking process, especially because the amount of unstructured, digital content is growing exponentially each year.

Catalyst differentiates itself by applying a rigorous, research-based approach to investing and by employing experienced technology analysts to proactively recognize important trends in its key sectors. However, keeping up with the constant news alerts and ever-changing information about its markets and target companies proved challenging.

Greg Woolf, Founder and Chief Executive Officer of IBM Business Partner Coalesce.Info, elaborates: "Catalyst spent a lot of time manually combing multiple content sources and industry databases to identify and monitor their top opportunities. They saw the opportunity to automate their pipeline research as a significant competitive advantage."

## Filling the pipeline

Catalyst engaged Coalesce.Info to deploy its Coalesce technology, a software as a service (SaaS) solution powered by IBM Watson Analytics™ technology. The revolutionary offering uses the IBM Watson Discovery News (formerly Watson AlchemyData News) service to systematically analyze more than 50,000 stories from daily news outlets. The software learns from researchers to generate a short-list of top opportunities based on their custom analysis process.

The solution also enables Catalyst to ask specific questions about its prospects, such as, "Which companies have made acquisitions?" To understand the intent of those questions, the solution employs the IBM Watson Natural Language Classifier and the IBM Watson Natural Language Understanding (formerly AlchemyLanguage) services.

> *"Watson is a powerhouse when it comes to natural language processing."*
>
> —Greg Woolf, Founder and Chief Executive Officer, Coalesce.Info

## Speeding investment sourcing

By analyzing and monitoring thousands of businesses for key indicators, the platform automatically maintains and updates the company's pipeline, helping Catalyst identify investment opportunities more quickly than ever before.

"Our technology searches and finds more than 14,000 news articles a month about industries and companies they're interested in. Then, using Watson, Coalesce identifies the most promising opportunities, such as companies exhibiting pre-expansion signals. We filter out 99 percent of the irrelevant information to highlight the one percent that is actionable."

"Coalesce delivers actionable intelligence on 20 percent of the thousands of companies that Catalyst tracks. And because the software provides ongoing monitoring, analysts benefit from a continuous and comprehensive review of those companies. Cognitive systems are here for real," concludes Woolf.