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Smooth Operator

Iolo enjoys a lead role in the utility software sector with programs that clean and protect computers.

By **CHARLES PROCTOR** Staff Reporter

NOAH Rowles started on the path that would lead him to building a successful startup when he was only 7.

That was when he pried apart his first computer – an Apple II Plus – to learn how it worked. When he was 9, Rowles was fielding computer repair requests from befuddled family and friends.

This Week: As word of the tech-whiz kid spread through his Los Angeles neighborhood, complete strangers would call asking him to take a peek at their PCs.

NICHE “I can commiserate with the neighborhood tech people who end up servicing all the computers within a certain radius of their homes,” Rowles said, remembering the days of his youth.

He’s 35 now, and had made a career of helping other people’s computers run smoothly. Ten years ago, he founded **Iolo Technologies LLC**, a manufacturer of PC tuneup software. It’s now one of the leading utility software companies in North America, with hundreds of employees scattered across the globe.

Iolo’s flagship product is System Mechanic, a software program for PCs that sells for about \$50 at major retailers. The program combs through hard drives to remove redundant and obsolete data, which can cause computers to lag, freeze or crash.

Iolo also manufactures Drive Scrubber, which securely wipes com-



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Batting Cleanup: Noah Rowles, chief executive of Iolo Technologies, at the company’s headquarters in Eagle Rock.

puter hard drives, and Search and Recover, a program that helps users recover files that were accidentally deleted. System Mechanic is far and away its top-selling product.

“Computers are just like a car,” said Rowles in an interview at Iolo’s Eagle Rock headquarters. “Over time if you don’t maintain it continually and keep it tuned up, there are parts that need to be replaced. It starts to get slower and it will break down.”

Down market

Iolo has seen business boom even as the overall utility software market has

Iolo Technologies LLC

Headquarters: Eagle Rock

Chief Executive: Noah Rowles

Year Founded: 1998

Core Business: PC utility software

Goal: Expand to provide software to Macs and possibly mobile devices

Driving Force: Consumer and business demand to maintain computer systems

Website: www.iolo.com

declined. Rowles declined to release revenue or sales figures, but a study by NPD Group, a New York-based research firm, found that Iolo controls about 66 percent of the system utilities market in the United States, and about 69 percent in Canada.

Iolo counts among its competitors **Symantec Corp.**, a Cupertino company perhaps best known for its Norton anti-virus software, and **Avanquest Software**, a French software giant that manufactures programs like Fix-It Utilities and SystemCare.

But while Symantec and Avanquest have seen their revenues decline this year, Iolo's have increased 40 percent in the first quarter and 90 percent in the second, according to the NPD study.

In that same period, the overall computer system utility market saw revenues fall about 14 percent in the first quarter and 4 percent in the second as a slowing economy leads to contracted consumer spending.

Michael Redmond, director of software research at NPD, attributed Iolo's success to its focus on utility software while its competitors have branched into virus scan and security programs, a market that became diluted as more

companies jumped in.

Brand loyalty has also helped power Iolo. Steve Ross, an Indiana minister, counts himself among the company's most dedicated customers, having used System Mechanic since the first version debuted in 1999.

Ross credits System Mechanic with keeping his personal computer and laptop free of the freezes and system crashes that used to plague them, and he's had his 30 employees upload the program onto their work computers.

Ross said he's tried other utility programs, but keeps returning to System Mechanic because of its reliability.

"I'm a believer in it," he said.

Back to the roots

Rowles, who wears a Vandyke beard on his still-boyish face, is a self-taught programmer without a college degree. Iolo wasn't his first foray into business.

When he was fresh out of high school in 1995, a friend talked Rowles into co-founding Unisyn, a communications software company that enjoyed modest success.

But after three years, Rowles decided to return to his roots and specialize in computer repair. He left Unisyn and

tried to get a bank loan to launch Iolo. But the bank turned him down, so Rowles poured his life savings – \$10,000 – into the company. "Until System Mechanic was released, I had to eat SpaghettiO's for a while," he said.

Rowles designed System Mechanic on the premise that most people who regularly use computers aren't always computer savvy. He wanted to build a program that solved technical problems but "you wouldn't have to have an engineering degree to use."

Iolo sold the first version of System Mechanic on its Web site. Sales took off almost immediately, and now the company is on the eighth version of the program.

Iolo is on its third office; the previous locations were in Pasadena. The company now owns the three-story office building it currently occupies – and grown from Rowles and one other person to 360 employees worldwide. About 60 work in its L.A. headquarters, nestled in the hills of Eagle Rock.

There, Rowles directs things from his corner office where he keeps several copies of System Mechanic on a bookshelf and a plaque of the Iolo corporate logo forged from aluminum, copper and steel.

On his wall, Rowles hung a photo of himself displaying a 45-pound mahi-mahi he caught off the coast of Cabo San Lucas, a testament to the hobby he favors to ease the stress of running a company.

"It's easy to over-romanticize the concept of starting your own business," he said. "People who I talk to about going into business for themselves, I tell them, 'You know that feeling in college when it's 3 a.m. and you have a 40-page term paper due the next day? It's like that every day.'"

But the success has been rewarding. Rowles said he's declined offers to buy out Iolo or to take it public, preferring to retain control of the company he started from his childhood hobby.

"As corny as it might sound, it really does make me feel good that I'm providing a very valuable service to people," he said.



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Chief Executive Noah Rowles with a disc of Iolo's product, System Mechanic.