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**SCIQUEST CONTINUES TO SURPASS MILESTONES FOR CUSTOMER WINS, GROWTH AND MARKET SHARE; REMAINS CLEAR EPROCUREMENT LEADER FOR ACADEMIC AND RESEARCH-CENTRIC ORGANIZATIONS**

*Leading Customers in Key Markets, Differentiated Product Offerings and Software-as-a-Service Strategy Continue to Drive Record Performance*

**CARY, N.C., January 10, 2008** – SciQuest, Inc. today announced it has surpassed a significant milestone with the signing of its 100<sup>th</sup> customer, the University of Oxford, and 16 additional customers during the second half of 2007. This achievement reflects SciQuest's dramatic growth and leadership providing eprocurement products and services for academic, pharmaceutical, biotechnology and other research-intensive organizations.

"SciQuest's expertise and the professional services they offer made us confident in our decision to implement the full suite of eprocurement solutions," said Linda Collins, director of procurement and contract services at the University of California, San Diego. "Instead of managing many separate procurement processes and systems, we have now moved forward with a consolidated solution based on SciQuest's proven technology. We strive to become a leader in procurement innovation and, ultimately, achieve best-in-class recognition."

**Notable Achievements in 2007 Included:**

- **Leading customer base** – More than 60 of the nation's top universities and nine of the top 15 global pharmaceutical companies rely on SciQuest's modular suite of procurement automation and supplier enablement solutions to reduce costs, improve productivity and increase visibility for enterprise-wide spend management.
- **Global expansion** – SciQuest continued to pursue its next phase of rapid growth by securing new business and expanding existing relationships with several European customers. The recent hires of Ralph Mazza as vice president of global professional services and supplier enablement, and Brad Stevens as vice president of marketing and strategy, along with an augmented presence in Europe, will help SciQuest continue to aggressively pursue its plans to expand its customer base globally.
- **Industry recognition** – SciQuest's success garnered a number of national and local honors in 2007, including being named to the *Inc.* 5,000 list of the fastest growing private companies in America, and the *Triangle Business Journal's* "Fast 50" ranking of the fastest growing private companies in the region, as well as the receipt of 2007 "Growth Company of the Year" awards from the Council for Entrepreneurial Development and the North Carolina Technology Association. The *Triangle Business Journal* also recognized SciQuest as a "Best Place to Work."

"SciQuest's focus on research-centric organizations with a superior software-as-a-service-based eprocurement solution has enabled the company to outperform competitors," said Stephen Wiehe, president and CEO of SciQuest. "Our strong financial performance, industry recognition and leading customer-base have clearly positioned us as the eprocurement market leader for academic and research-intensive organizations."

## **Astute Decisions, Business Model Drive Momentum**

SciQuest's success today is a direct result of decisions made over the last six years that have transformed the company, including:

- **Adopting a new business model** – In 2002, Wiehe and his team reinvented SciQuest's business model from a transactional online marketplace that bought and sold research goods to a provider of on-demand eprocurement solutions that leverage the company's expertise in research-intensive fields. As one of the first companies to deliver its solution through the software-as-a-service (SaaS) model, SciQuest provides customers with eprocurement capabilities that don't tax their IT infrastructure, encourage adoption and ensure sustainable revenue.
- **Taking the company private** – Wiehe took the company private in 2004 to focus its efforts and resources on the development of a service-oriented company that offers five-nines reliability and 24/7 support, the hallmarks of a successful SaaS provider.
- **Removing barriers to eprocurement adoption** – SciQuest realized that strategic procurement automation must be coupled with sourcing and supplier enablement in order for customers to achieve the technology's full potential for generating efficiencies and cost savings. SciQuest's decision not to charge transaction-based fees, a method common to other vendor solutions, encouraged the participation of leading suppliers in its online marketplace. As such, SciQuest customers are able to offer end users a broad selection of goods and services to choose from, delivering a superior "consumer-like" shopping experience that is a critical factor in the adoption of eprocurement solutions.

## **Software-as-a-Service Pays Dividends**

This past year marked the culmination of SciQuest's vision for on-demand eprocurement automation. The company achieved record revenue growth, and its focus on customer service as part of the SaaS model and supplier enablement services allowed SciQuest to achieve unprecedented customer retention, with a 99 percent subscription renewal rate and a 66 percent compound annual customer growth rate since 2002.

According to researchers at TripleTree, only five percent of the 550 SaaS providers started in the past five years generate revenues greater than \$15 million. SciQuest is in this rare class.

## **About the University of California, San Diego**

Since its founding less than 50 years ago, UC San Diego—one of the ten campuses in the world-renowned University of California system—has rapidly achieved the status as one of the top institutions in the nation for higher education and research. With annual research funding of nearly \$700 million, UCSD ranks fifth in the nation—and first in the UC system—in federal R&D expenditures. UCSD faculty and graduate programs have been ranked 10<sup>th</sup> best in the nation by the National Research Council. The campus, which enrolls more than 25,000 students, has one of the nation's highest percentages of faculty elected to the prestigious national academies.

## **About SciQuest**

SciQuest is the global leader in helping academic and research-centric organizations realize the potential of strategic procurement. The company's specialized knowledge, on-demand software, and services-first approach empower more than 100 of the best-known academic, pharmaceutical, biotechnology and research organizations to manage spend, drive ROI, and advance their critical missions.

SciQuest's strategic procurement solutions are strengthened by a deep understanding of the higher education and research environments combined with a broad supplier network for everything from lab equipment to office supplies to services. The company's intuitive, online shopping experience and diverse supplier offerings are proven to increase user adoption and contract compliance. Through software-as-a-service (SaaS) deployment, organizations can quickly implement the right eprocurement solution, whether it's a robust shopping platform for existing eprocurement tools or to fully enable all aspects of purchasing from sourcing to settlement.

For more information about SciQuest, please visit [www.sciquest.com](http://www.sciquest.com) or call 877-710-0413 in the U.S. or +44 1794 341182 in Europe.

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