Published June 19th, 2013

Global Leader for Cross-Platform M2M Integration Prefers Lamorinda The IT company that didn't want to go to Palo Alto

By Sophie Braccini
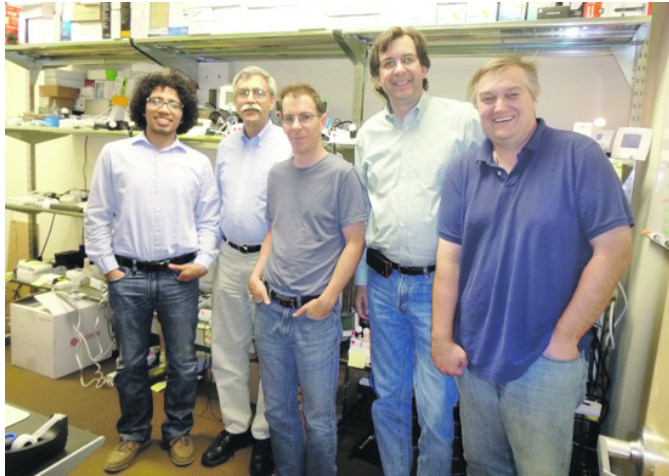
From left: Ever Aro Maya, Jo Springer, Peter Naulls, Steve Raschke and Mike Anderson. Photo Sophie Braccini

Candi Controls is on top of what many see as the new tech market of the coming decade: the Internet of Things. IoT is about integrating and automating inanimate objects over the Internet such as meters, thermostats, cars, appliances, and health care devices. The problem is that all these machines use different protocols or languages to communicate. What the young Lafayette firm has developed is a Tower of Babel in a cloud where all these machines can understand each other and interact.

Innovative and integrative, Candi could have been lured by the sirens of Silicon Valley where many start-ups grow large egos, but instead, Candi's owners decided to stay in Lafayette - close enough to the nexus of innovation, but far enough away to preserve their sanity and quality of life.

Over the past five years, through a million and a half lines of code, Candi Controls president Steve Raschke and partner Mike Anderson created machine to machine (M2M) applications that control all kinds of machinery remotely over the Internet.

"There is no common protocol because this is how companies do it," says Raschke, "they want you to stay in their proprietary bubble. GE wants everything in your house to be GE, and Samsung wants everything in this building to be Samsung. So the next biggest opportunity is not about people, it is machine to machine. But the problem is that those machines don't talk to each other, and that's what we've solved with Candi."

What they have created is a platform that a company can access to build the applications they need, without having to take into account the different 'languages' that are spoken by the machines they need to integrate. "We are 'plug-and-play' for the web of things," adds Raschke.

One of Candi's clients is the Monterey Regional Water Pollution Control Agency, which wanted to develop a plan to minimize peak demand and improve energy efficiency at its plant to qualify for lower rates from its electricity provider. A study showed that granular monitoring and control of 19 specific pumps, aeration motors, blowers and lighting processes could further reduce energy costs by many thousands of dollars per year. However, MRWPCA's existing systems were not capable of communicating with or handling the massive amount of data generated from all those new real-time meters and load controls.

MRWPCA's solution was to use Candi's cloud-based platform to integrate low-cost, off-the-shelf commercial meters and controls that could be easily installed by local personnel. Candi provided a secure, web-standard platform for real-time data acquisition and control of virtually any networked device, allowing MRWPCA to measure, fine-tune and realize significant energy savings.

Another recent example, closer to everyday use, was the agreement signed last January by San Diego Gas & Electric (SDG&E) and Candi Controls for the creation of the PowerTools app that customers download on their mobile phone or tablet to check recent energy use, set and manage energy saving goals, and track weather patterns related to energy use.

At this time, Raschke believes that there is no equivalent in the market place for what Candi Controls offers. "Our platform as a service is unique," says Raschke. "We also provide professional services to customize mobile and web apps and user interfaces. We have a free open API (application-programming interface) for customers and third-party developers to create their own apps and solutions on our platform."

Raschke describes himself as a serial entrepreneur. His background is in network devices and control. He started in the 1980s as a rock musician who fixed consoles and wiring in studios. The studio owners invited him to their homes to wire sound systems and design video systems. In the '90s he worked in the control industry for homes, then started a company that networked homes for homebuilders to accommodate the Internet and broadcast systems. He went on to develop a digital living-room product, streaming audio, video and files to TVs for Seagate. "Five years ago it seemed to me that the world was about to change and that there would be this problem of things not talking to each other," he says.

Candi (an acronym for Cloud-Assisted Network Device Integration) was a logical step for him and he called on his longtime partner Mike Anderson to join him, but in Lafayette, not in Silicon Valley.

"There is a formula for Silicon Valley companies," says Anderson. "You need to be located and funded there, and there is a pecking order depending on who you're funded by, where you're located and how much money you

spend on marketing." The two were less excited about the thrill of becoming Silicon Valley darlings, as about the software they created, and the possibilities they opened in people's lives. "And we like the lifestyle here, the schools for our kids; we like the people, the pace, the weather."

The two men now employ 15 people in the profitable business office at LaFiesta Square. They get a convenient place to work, close to their homes - they both live in Moraga - where everything is on a human scale.

Candi Controls is now ready for its next growth spurt and is looking for investors. Hopefully they'll be able to grow in place.

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