

## EXPERT SYSTEM AND DIGITAL MAGICS TOGETHER FOR INNOVATION: CONCLUDE A PARTNERSHIP TO SUPPORT ITALIAN STARTUPS

*Today in Milan, the collaboration between the two companies, both listed on AIM Italy, was announced to promote technological innovation and research*

*The results of the survey "The evolution of the term 'startup' in the press", were presented analysing about 2 million articles published over the last 22 years*

*The first startups to use the proprietary applications of Expert System are Buzzoole, Premium Store, LiveXtension and Mimesi*

**Milan, June 11, 2014** - During the event **Disruption Day, Start-ups and Semantic Technology** held this morning in Milan, **Expert System**, a leader in semantic technology for information management, and **Digital Magics**, incubator of innovative start-ups, announced a **framework agreement to support Italian** online start-ups and promote **the initiation of innovative projects** with a high technological value, thus contributing to innovation in Italy and the development of the two companies.

The two companies - both **Italian companies listed on the AIM Italy market of the Italian Stock Exchange** - formed this partnership to further develop start-ups of Digital Magics and **56CUBE**, incubator for Southern Italy. The agreement provides for Expert System to offer startups **the use and integration of its proprietary applications for a period of 18 months**: Cogito Categorizer (for automatic categorisation), Cogito Discover (for text mining) and Cogito Studio (SDK for customising linguistic rules).

The Expert System technology, in use at major governmental organisations and Italian and international companies, provides **constant cooperation between Expert System programmers and developers** and those of **Digital Magics LAB** to support start-ups in integrating the products into their own business model and developing different ideas.

The ability of the incubator to select young teams specialised in developing new technologies and application ideas in this segment of the market will also help to accelerate the evolutionary processes of Expert System products.

The first Digital Magics startups to use the semantic technology of Expert System are: **Buzzoole**, which developed an Italian IEO (*Influence Engine Optimisation*) platform that optimises the online presence of the user, **Premium Store**, which is developing and will manage EDICOLA ITALIANA, the publishers' platform for the sale of products in online publishing, and **LiveXtension** online communications and marketing agency.

In addition to these, there is **Mimesi**, a company of the **DBInformation** group, which operates in the field of media monitoring and press releases. Mimesi uses an innovative production process and dedicated proprietary software; Digital Magics is developing a joint program of development with this startup.

*"It's the first time Expert System works with an online start-ups incubator to actually help aspiring entrepreneurs," comments **Stefano Spaggiari, CEO of Expert System**. "The synergy that was immediately created with Digital Magics was the right precondition to trigger a virtuous cycle capable of generating successful projects, we are very pleased to provide our semantic technology and thus contribute to the growth of a culture of entrepreneurship in our country."*

*"The semantic intelligence that Expert System makes available to our startups is definitely a plus of great value to the incubator as well," states **Enrico Gasperini, Founder and President of Digital Magics**. "Thanks to this agreement the online start-ups we incubate will be able to enhance their services and accelerate their growth. We will also contribute to the development of the platform due to our ability to scout young teams of talented and innovative individuals. "*

## "THE EVOLUTION OF THE TERM *STARTUP* IN THE PRESS"

During the morning, Expert System and Digital Magics presented the results of the research "The evolution of the term *start up* in the press" that highlighted **how the use of this word has changed and related issues, analysing nearly 2 million newspaper articles published in the last 22 years.**

1222 **articles** have dealt with the subject *start-ups* in recent years. The word *startup* (including the form *start up*) came into use in recent years, becoming **increasingly widespread from 2011 onwards**. The same is true for other words related to startup, such as **incubator, online, ICT, innovation** that were little used in the '90s but have seen a marked, decisive increase in recent years, although the culture of innovation and online were established in the past. According to some data provided by Mimesi, when the three terms, **start up, incubator and start upper**, are combined, it is clear that, since 2005, their frequency in 10 Italian newspapers **has increased by 314% (From 992 items in 2005 to over 4100 estimated at the end of 2014).**

In the list of **people most frequently cited** in articles discussing *startups* the **first is Zuckerberg** of Facebook, then Jobs of Apple and Mayer of Yahoo. **Obama stands out among politicians**, in second place after Zuckerberg, and **among Italians figure Berlusconi**, followed by **Monti, Passera, Maroni and Renzi**. Regarding **companies** connected to the word *startup* **Google is the most frequently mentioned** followed by Apple, Microsoft and Facebook. References to the financial world are also important, from Milan Stock Exchange, Wall Street, and the NASDAQ to Intesa Sanpaolo, Banca Carige, UniCredit and Banca d'Italia. In addition to banks, there are also **Italian companies** such as Telecom Italia, Enel and Fiat.

Regarding places most often associated with *start-ups*, Italy is among the most frequently mentioned, with the Italian cities of Milan, Brescia, Rome, Turin, Bologna and Bergamo standing out. The USA is of course frequently mentioned, as regards other countries, and in particular Silicon Valley. Europe comes next and, regarding individual countries, France, Germany, China, United Kingdom, Israel, Spain and India are frequently referred to.

## The following is a brief description of the startups involved in the agreement.

### **Expert System - [www.expertsystem.net](http://www.expertsystem.net)**

Expert System, which is listed on the AIM Italy market of the Italian Stock Exchange, is a leading developer of semantic software used by companies to manage information more effectively and obtain strategic knowledge. All its products are based on the proprietary technology Cogito® and offer advanced solutions for searching, sorting, correlating and analysing large numbers of documents. Cogito's automatic text recognition feature allows companies to create value from all available data and information, increasing competitive advantage and supporting better decision making. Among the main customers are: Eni Group, ANSA, Telecom Italia, Intesa Sanpaolo, Il Sole 24 ORE and Microsoft.

### **Digital Magics - [www.digitalmagics.com](http://www.digitalmagics.com)**

Digital Magics is a certified venture incubator of innovative online start-ups that offer content and services with a high technological value. Digital Magics is listed on AIM Italia, the Alternative Capital Market dedicated to small and medium-sized Italian enterprises with high growth potential. It is organised and managed by the Italian Stock Exchange. Digital Magics builds and develops internet startups, working alongside their founders, investing equity and providing acceleration services. It takes the talent and ideas and transforms them into disruptive businesses that are successful in the Italian and international online economy. The incubator promotes a culture of entrepreneurship and risk, contributing to economic growth and employment for young people. Digital Magics offers services to support innovation, the creation and development of online start-ups, and it supports them in the search for new private and public investors, Italian or international, to fund the next stages of development. The Digital Magics model is unique in Italy and is based on the Digital Magics LAB: the team that identifies, analyses and launches new ventures, providing start-ups with innovative mentorship, financial, administrative, strategic, logistical, technological, communication and marketing services. It also offers business management support that is capable of accelerating the growth process of a business.

### **For further information:**

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## STARTUPS THAT ARE USING THE TECHNOLOGY OF EXPERT SYSTEM:

### **Buzzoole - [buzzoole.com](http://buzzoole.com)**

It is the first Italian IEO (influence engine optimisation) platform to optimise the online presence of users. The proprietary algorithm developed means Buzzoole allows both large industrial operators and small and medium-sized enterprises, Italian and international, to qualitatively identify influencers of their market, and generate buzz about products and services through the trendsetters identified, rewarding them with dedicated offers such as discounts, product testing and exclusive invitations. Buzzoole technology allows companies to plan buzz marketing campaigns with free and flexible budgets completely independently. Buzzoole allows brands and agencies to plan buzz campaigns with the same ease and speed as an Adwords or Facebook campaign, all in self-service mode. June 2014 sees the launch of the beta version of the platform.

### **Premium Store**

As a result of the exclusive agreement signed with **Consorzio Edicola Italiana** - founded by **Caltagirone Editore, Gruppo 24 ORE, Gruppo Editoriale L'Espresso, La Stampa, Mondadori and RCS MediaGroup** - Premium Store will develop and manage the EDICOLA ITALIANA [platform](#), the premium Italian online publishing newsstand. EDICOLA ITALIANA users can buy and view in HTML 5 format the most comprehensive selection of online editorial content which includes newspapers, magazines, e-books and much more. The advanced technology of the Premium Store proprietary platform will offer users exclusive features, such as the Full Text *search function* which allows users to search for all editorial content on the platform and the centralised rights management and payment system Media Wallet which enables secure purchases from any device. In May 2014, the startup received **funding of € 1 million** from Digital Magics and other important Italian investors.

### **LiveXtension - [www.livextention.com](http://www.livextention.com)**

LiveXtension is a marketing communication **agency** capable of selecting and planning **the most** innovative media and creating the **most** relevant and effective design for the brand. It is **focused on digital media** with particular specialisations in the field of **social media**, but it also applies creativity and innovation to more traditional media. **It combines editorial and creative, design capabilities with extensive knowledge of all the direct response media planning technologies:** In this way, **it guarantees** customers **full control of the objectives** to be achieved and **costs involved**. The clients for whom LiveXtension has created and is implementing successful projects include: Seven Invicta, Intesa Sanpaolo, Diffusione Tessile, Telecom Italia, Disney Television, Allianz, Sorgenia, Fiat Auto, The Huffington Post Italy, Despar North Est, Fastweb, in addition to Digital Magics startups.

### **Mimesi - [www.mimesi.com](http://www.mimesi.com)**

It operates in the field of **media monitoring** and **press releases** using an innovative production method that processes all articles in full digital format by means of dedicated proprietary software. With the development of online media, Mimesi has expanded its range of services and today provides a structured service across four product lines: **Press Releases, Web & Social Media Monitoring, Analysis & Media Reputation, Audio-Video Review**. In line with its objective of offering a service in step with the times, in 2012, **Mimesi360** was created, an analysis platform that brings together articles in the print media with web articles and posts published on blogs, forums and social networks. This is the first service in Italy to provide a **comprehensive reputational analysis of traditional and digital media**. For Mimesi information travels online: it annually processes more than 18 million articles that can be accessed through **different communication channels** (email, web, intranet, iPhone, iPad, mobile). It is fully **online** which means you can always find what you are looking for, download it, process it and send it in real-time. In this way it is possible to carry out research and analysis of press and web which gives strategic value to information. The reviews are based on the search for an unlimited number of keywords, identified together with the client, enabling targeted and personalised analysis. All this **24 hours a day, 7 days a week**.