

# Forbes

## Power To The People

infoUSA's Vinod Gupta sells hot prospects  
to small-fry entrepreneurs | [By Christopher Steiner](#)



ANDREY MIKITYUK FOR FORBES

**S**ALESGENIE.COM SPENT \$3 MILLION ON A 30-second ad in the Super Bowl in February, 15% of its total revenue, to introduce America to Pierce, a slick saleshound—candy-apple-red sports car, sexy girl-friend, dinner with the boss. Pierce owes his success to Salesgenie.com, an online sales-lead service. “Only fools work hard. I work smart,” Pierce gloats.

Some 30,000 Super Bowl fans called Salesgenie’s toll-free number in the 24 hours after the ad aired; 1,500 signed up at \$150 a month within just 30 days and the company expects 1,500 more, a potential revenue flow of \$5 million in less than one year.

**All this can be yours: hot car, happy salesguy, sexy girlfriend—as featured in Salesgenie’s commercial.**



The schlocky spot was conceived and written by Vinod Gupta, 60, the flashy and voluble chief executive of Salesgenie’s parent company, infoUSA. Unintentionally amateurish, it got panned as one of the worst spots in the most-watched ad showcase on TV—which doesn’t bother him a bit: “You want to be the best or worst; nobody remembers the guys in between.”

The Super Bowl play was a brash move for Salesgenie, with revenue of \$19 million last year, and infoUSA, which thrives in the low-profile but lucrative world of collecting and selling consumer and business data. Gupta wants to peddle data to small-fry salesmen—car dealers, real estate agents, contractors and the like—with the promise of key insights about potential prospects on their turf.

“We’re quite small and our resources are limited. A tool like this is invaluable,” says Matthew Leischner, 27, co-owner of Golden Dust Flax Farm in Parkston, S.D. His family farm grows soy, corn and wheat, and it also grows and harvests flaxseed, packaging it in jars and 3-pound sacks to sell to grocers and health food stores.

He saw the Super Bowl ad and gave it a shot. He got 200 leads for health-food stores in the Midwest. He has contacted 50, using phone numbers and e-mail addresses gleaned from Salesgenie. Leischner figures up to 20% of his sales leads will turn into customers. “It’s like adding ten employees here in the shop,” he says.

Gupta calls infoUSA “a Charles Schwab in a world of Goldmans.” It netted \$33 million on \$435 million in revenue last year. More than half its revenue comes from selling the information it gathers about 210 million U.S. consumers and 15 million businesses to AT&T, American Express, Bank of America, Dell, Microsoft and other giants. Yahoo and Google use its business listings to help users find burger joints and massage parlors online. Time Warner’s CNN plans to use infoUSA’s Opinion Research (Princeton, N.J.) to poll voters.

infoUSA often takes on two bigger players, Acxiom and Fair Isaac, when chasing big clients. Salesgenie aims at much smaller clientele and competes in a less crowded field. “Our competitors are looking for customers who will spend more than \$1 million a year with them; we have no problem going after the small guy,” says Gupta. “We want the plumber, the Realtor, the lawn-care guy.” Gupta says Salesgenie revenue will double this year.

infoUSA has buttressed its data hoard by acquiring 28 data-rich outfits in ten years, spending \$741 million and helping the company rack up \$260 million in debt. Among them:

American Church Lists, a database of 380,000 religious institutions and their congregations; and City Publishing, a group of 100 metropolitan consumer and business directories. infoUSA’s 12 major databases include 130 million e-mail addresses and details on consumer purchases and hobbies. infoUSA

combines the data to craft a view of a consumer’s income, mortgage, political and religious affiliations, lifestyle and shopping habits.

Gupta, who grew up in Rampur Manhyran, India, founded infoUSA in 1972 while working for a mobile-home maker in Omaha. To compile a list of home dealers, Gupta asked Northwestern Bell for all 4,800 U.S. phone books. Gupta and his wife then spent 90 days copying 13,000 dealer names by hand. Gupta paid \$14,000 to transfer them to computer punch cards—his first electronic database. He gave the list to his boss but retained ownership rights, selling it 120 times in the first year for \$400 each.

Still reveling in the notoriety of the Super Bowl ad, Gupta says, “This should be a good year—a great year.” He is already pondering the script for an encore spot next February.