Collaboration specialist Teambox is a plucky little outfit from Barcelona that has crossed the Atlantic and set up a base in Silicon Valley. It offers one of the more mature and well-thought-out cloud-based collaboration systems on the market, and differentiates itself with a focus on highly practical and usable team- and task-based collaboration functionality. In its relatively short life, the firm has picked up a healthy number of paying customers, and in the past year it has started to target larger enterprises. The release of an on-premises enterprise option for the Teambox system serves to further that effort.

The 451 Take

It's a shame that Teambox doesn't make more of its Spanish roots, promoting and further developing its support for the dual languages, to sell aggressively into the high-growth US Hispanic corporate market. As it is, though, Teambox offers a solid and pragmatic team- and project-oriented collaboration product, with an ever-growing customer list. The release of an on-premises option may seem to rebel against the zeitgeist, but it's a savvy nod toward the reality of most enterprises today and in the foreseeable future. So the prospects looks good for Teambox, and we expect it to raise more investment this year to expand its growth ambitions. Of course Teambox could also be acquired – it is one of the more interesting players in this space, in terms of functionality, US/Europe footprint and price point. The Teambox functionality would make a neat addition to Box, Dropbox or any one of the many file-sync and -share vendors in the market.
Context

Founded in 2008, Teambox is privately held and led by CEO Dan Schoenbaum (the former COO of Tripwire) out of Silicon Valley. But Teambox actually originates from Barcelona, where it is still headquartered and where most of the development work is still undertaken. Like many firms before it, most recently Alfresco, the firm has decided to open a US headquarters in Silicon Valley. So far, it has proved to be a smart move, raising the Teambox profile considerably. It may also open the doors for more funding (we expect it to close a new round soon) and, potentially, even attract an acquirer. Roughly 50% of the firm's sales are US; the rest are international with support in German, French, Spanish, Russian, Hebrew, Catalan and Portuguese.

Teambox is currently underpinned with angel investments from a range of small investors, including Zynga and Facebook, that amount to about $3m – a small amount of investment compared to most of its competitors. In 2010, Teambox acquired a small firm called Talker, a group 'chatware' vendor, for an undisclosed amount. As of today, the bulk of Teambox's sales remains in SaaS zero-touch via the Web, but the enterprise sales element that is generated by a small inside sales team is growing. Teambox moved from an Affero GPL (open source) license to go proprietary in the 2012 Teambox version 4 release. We estimate Teambox revenue to be $5-7m.

Customers

Teambox has garnered an impressive number of paying customers – more than 2,000 as of February 2013. In the past year, since establishing the US base, it has had particular success in landing larger enterprises via the classic pilot, team, department, enterprise upsell route. These include Danone, Southwest Airlines, BP and The World Bank. As an online service Teambox will continue to pick up many small team- and project-based customers, but the firm's key focus is on increasing the number of larger enterprise customers. It is interesting to note that, since Teambox is Spanish rooted, with a Castilian version of the system, it is a little odd that Teambox has not leveraged these rich roots more in its US sales and marketing efforts.

Technology

Teambox is just one of many similar cloud-based enterprise collaboration systems; where it differs most significantly is in offering task and time management functionality as part of its product set. It also tacitly recognizes that Teambox cannot be a one-stop shop for everyone's needs, and has therefore made it relatively straightforward to integrate with Box, Dropbox, Gmail, Expensify, etc. In
fact, the firm goes as far as to define its product as a communication hub. We wouldn’t go that far; we would position it more as a task and team management dashboard that can leverage other cloud services. In fact when it comes to bundling cloud-based apps into one easy-to-use-and-access interface, it does a very decent job. There is also an open API available for deeper integration with legacy business applications, such as salesforce.com.

To be clear about it, Teambox is not a project management tool or a replacement for Microsoft Project or Oracle Primavera; rather, it is at best a small project/task management system. Teambox is gambling that this is all that most people actually want or require, and it provides this via task list templates and the ability to track the completion of tasks. It also has GANTT-style interfaces with the built-in calendar, and so for small projects will likely prove quite sufficient.

Outside of this, Teambox provides some good social-network tools – for example, chat capability (from the Talker acquisition) is effective, and we particularly liked the ability to manage and label conversations as threads within projects, alongside Evernote-style note-taking functionality. All in all, Teambox is one of the easier-to-use and practical team collaboration offerings we have seen. It has been well-thought-out, and based on that alone the interest in the product to date is not a surprise. However, if Teambox is to continue to grow in the enterprise space, at some point it is going to have to address the elephant in the room and release integrations with Exchange, Office (particularly Calendar) and Lotus tools, since these are not going away anytime soon. At present the firm delivers a popular public cloud-based SaaS option, and has now started to also offer an on-premises enterprise version that runs on either VMware or Oracle VirtualBox.

**Competition**

By targeting large enterprises and not the SMB market, Teambox is going to start encountering Microsoft with Office365 regularly, as well as IBM with its reconfigured Lotus collaboration products. At the same time, firms such as SAP, Citrix, Oracle, Cisco and even VMware see considerable market growth potential in large enterprises. Over time then, Teambox will likely see competition move from the likes of Dropbox, Basecamp, Bloomfire and Igloo Software today, to major and much larger vendors in the future. Retaining visibility against such large vendors is going to be a challenge.
### SWOT Analysis

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<th>Strengths</th>
<th>Weaknesses</th>
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<tr>
<td>Its dual-language and pragmatic team management functionality sets Teambox apart from many of its competitors.</td>
<td>Like many of its competitors, Teambox’s small size and limited funding will limit growth and potential market visibility.</td>
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<th>Opportunities</th>
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<td>Small team and project management requirements are abundant, and Teambox could do well selling its collaborative cloud-based alternative to heavy-duty offerings.</td>
<td>Since Teambox targets larger enterprises, it risks being frozen out by much larger incumbent vendors.</td>
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