Scope AR Intent on Proving That Great Things Can Happen North of the Border

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Takeaway: *Scope AR may have big U.S. clients, a San Francisco office, and a massive funding boost, but it's intent on proving great things can happen right here in Alberta.*

Too often, our divisiveness-and-disaster news cycle obscures stories that highlight our real potential. Chances are you're unfamiliar with this piece of news coming out of San Francisco this March:

Edmonton-based tech startup Scope AR (https://www.scopear.com/) secured US$9.7 million (CAD$12.9 million) in Series A (https://www.investopedia.com/ar) funding led by Boston-based Romulus Capital (http://www.romuluscap.com/). Existing investors SignalFire (https://www.signalfire.com), Susa Ventures (http://susaventures.com/), Haystack (http://haystack.investments/home), New Stack Ventures, North American Corporation (https://www.na.com/) and AngelList

(https://angel.co/) also came on board, bolstered by the company's record for advanced innovation, including a recent contribution to space exploration.

The "AR" in Scope AR stands for augmented reality (https://thinkmobiles.com/blog/what-is-augmented-reality/), a technology that puts text, images, animations and other digital information into your real-world view, according to David Nedohin. He founded the company in 2011 with partners Graham Melley and Scott Montgomerie.

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Their coup was shared by the likes of Forbes (https://www.forbes.com/sites/charliefink/), PR Newswire (https://www.prnewswire.com/news-releases/scope-ar-closes-9-7-million-series-a-funding-) and Private Capital Journal (https://privatecapitaljournal.com/scope-ar-secures-us-9-7m-series-a-led-by-romulus-capital/), but it made few waves where Scope AR's story began.

"If you talk to somebody in Silicon Valley, Austin or London in the technology space, and augmented reality comes up, it's very likely our name will come up," Nedohin says. "Whereas here in Edmonton, you could say our name, and nobody really knows who we are. That's what we're trying to work on."

Read: Alberta's Potential for Global Leadership in Artificial Intelligence (https://www.albertaventure.com/albertas-potential-for-global-leadership-in-artificial-intelligence/2/2778)

Why Edmonton?

Some who appreciate Scope AR's reputation might wonder why Edmonton's approval matters. The company has many international clients so eager to do business that the company won them over without an established sales force. That recognition allowed the partners to open a San Francisco office close to the Silicon Valley action and staff it with experienced tech insiders. Couldn't the business just move there?

That question ignores the action that's percolating right here.

"We have great engineering and computer science programs here," Nedohin says. "Really smart people are coming out of our universities and polytechnics. Our AI industry is ranked third in the world. That is mind-blowing!" There's also the potential of attracting brilliant tech minds from outside the province.

So, Scope AR is staying put, investing a substantial amount of its funding in growing its 30-person Edmonton office and building up its already-accomplished engineering team. However, without a viable local ecosystem, all that talent might seek work elsewhere. That's why success stories like Scope AR's are crucial. They establish Edmonton as an incubator of new ideas, inspiring other local startups to create their own exceptional tech opportunities. Mentoring and idea-sharing initiatives like Startup Edmonton (https://www.startupedmonton.com/) have facilitated that tradition for years.

Read: Alberta's New World of Innovation Hubs (https://www.albertaventure.com/albertas-new-world-of-innovation-hubs/2/2800)

"That's where we actually started," Nedohin recalls. Now he's paying it forward, teaching entrepreneurs the lessons he learned on Scope AR's climb to Series A funding. Here are a few:

Audacity and Hard Work: Showing Them It Can Be Done

If you're looking for an example of augmented reality in action, think of the first-

down line that magically appears on football broadcasts. Impressive as that seems, Scope AR would make its name proving the technology could do much more.

After its team members saw a BMW concept video (https://www.youtube.com/watch?v=P9KPJlA5yds&t=35s) that fictionally portrayed a mechanic using augmented reality during an engine repair, they pitched the idea of creating the actual technology for early client Atlas Copco.

“We built our own hardware and glasses. We tied in all these toolkits,” Nedohin says. “It took us months and months to do.”

The final result was a hit at a Las Vegas trade show, drawing interest from the likes of Boeing, Toyota and Philips. Scope AR quickly perceived its potential to be more than just another service company. In 2015, it launched unique software products that would become internationally admired for their functionality, adaptability and scalability. “We develop solutions and products that help make sure the best practices are in the hands of the workers. So they see exactly what to do every time and do it correctly. And you can measure that.”

Empathetic Problem Solving: Two Breakthrough Products

According to Nedohin, the key to a great idea is a close, empathetic connection with your customers, which means understanding their needs well enough to imagine a “wouldn’t it be nice if” solution to a recurring problem.

Often, customers’ field workers faced complex tasks alone, equipped only with outdated paper instructions, hazy memories of long-ago training, or no training at all. Scope AR put augmented reality to work via smart devices like phones, tablets and glasses to “make every worker an instant expert” and avert potential disasters.

One solution, Remote AR (https://www.scopear.com/products/), works like an enhanced FaceTime, Nedohin explains. It connects workers to remote experts, using both augmented reality to create annotations and markers on equipment that stick in their real-world places even as the worker moves around them.

WorkLink (https://www.scopear.com/products/worklink/), another product, allows companies to develop their own augmented guided instructions for field workers. Smart 3D projections show workers stick-in-place component identifications along with complete maintenance and repair instructions.

Lockheed Martin provided WorkLink to employees working on its components for NASA’s Orion shuttle (https://www.scopear.com/2018/08/12/wsj-lockheed-martin-deploys-augmented-reality-spacecraft-manufacturing/).

“That’s the glamorous application,” Nedohin says, but the company is also proud of its use in places like industrial kitchens.

Humility: Fail Fast and Fail Often

Organizations like Startup Edmonton rescue entrepreneurs from the pitfalls of working in isolation – including the counterproductive habit of hesitating to present an idea because it might be shot down. Nedohin says putting the product into someone's hands; even if you know it has limitations, can save you time and frustration.

Mentors and peers can offer feedback that clears creative blocks, inspires new ideas or hastens an entrepreneur's decision to move on to something more workable. Startup Edmonton's MVP (minimum viable product) program provides timely feedback and advice before projects go too far in the wrong direction.

Investment: Finding the Right Dance Partner

Investors are also reliable gauges of viability, Nedohin says. A functional prototype approved by the right investor can help you reach your next plateau and create industry-wide interest. That's how the door opened for Scope AR – wide enough that they can look for more from investors than signed cheques.

"We went through a five-month process of evaluating different investors and them evaluating us," Nedohin says of his Series A backers. "It's like finding the right dance partner." All of these investors share the company's vision, and they've proved to be such a knowledgeable resource that Romulus Capital's Krishna Gupta and SignalFire's Wayne Hu now sit on Scope AR's board of directors.

Nedohin credits his investment acumen to two sources – the justifiably prestigious Y Combinator (https://www.ycombinator.com/) program, which accepts only 2 per cent of applicants, and Startup Edmonton, where Scope AR can share what it's learned.

A Bright Future

"These types of stories are exciting for us, but I think really exciting for the city as well," Nedohin says. He's grateful for the financial and moral support that municipal, provincial and federal government levels have provided for technology and economic diversity in general. Ultimately, technology's best chance will come with a public that can see and appreciate the possibilities ahead of them.

"So let's just continue to bring awareness to the fact that this is happening here. I think it's going to be an important part of our future."