COLUMBUS CEO

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POWER PLAY

THIRTEEN YEARS AFTER THE PUCK FIRST DROPPED, THE ARENA DISTRICT AND THE BLUE JACKETS HAVE A NEW LEASE ON LIFE.
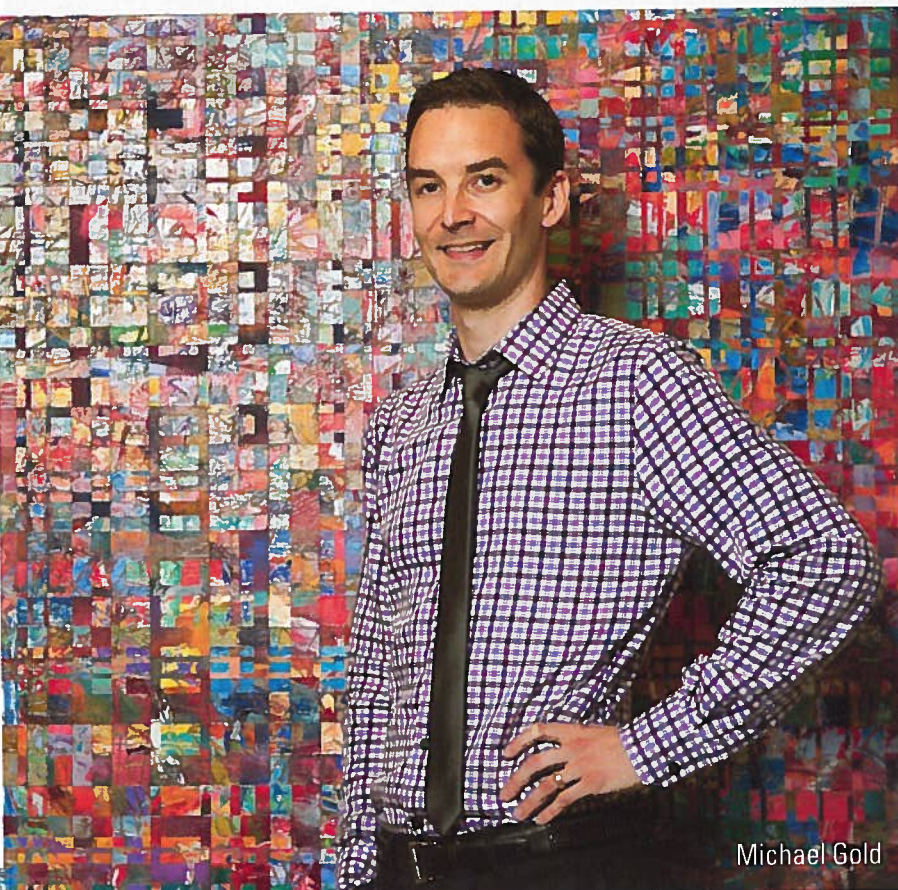
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Oscar predictions put a data analysis firm in the national spotlight.

By DENISE TROWBRIDGE +
Photo by TIM JOHNSON

Columbus-based Farsite Group, a boutique data analysis firm specializing primarily in the retail and health-care industries, is proving you don't have to be a big company to do real work with big data.

"Our goal has been to build a group that not only had strong technical skills, but also could educate and engage folks with data," says co-founder Michael Gold. "We want customers to understand the work we do and really be able to use it.

"We ask folks to take a big step and to think differently about how they make decisions," he says. Data "can help companies increase revenue, or in nonprofits, to drive strategic objectives. We help organizations interpret their data so they can make decisions that increase value or address strategic goals and drive competitive advantage."

The firm analyzes a wide range of data from both internal and external sources to help companies see the big picture and make decisions. It was founded in 2007 by Gold and childhood friend and data scientist Paul Litvak. Farsite has a handful of analysts, with backgrounds as varied as nuclear engineering statistics to real estate development. Clients include RG Barry Corp., Speedway and the MacArthur Foundation.

The company is also helping the Ohio State University Wexner Medical Center reduce re-hospitalizations after heart attacks. "Thanks to changes in Medicare reimbursements, hospitals now have strong financial incentive to decrease re-hospitalizations. We are helping OSU figure out how to encourage patients to take advantage of all the care available to them," Gold says. "We are working to use data and behavioral intervention to increase compliance."

The firm is also helping Pittsburgh-based retailer Dick's Sporting Goods Inc. select optimal locations for new stores. "They have a lot of different types of products, so it's important for them to understand who the customers are for each of those," Gold says. "We work with them to help them understand the preferences of consumers, to inform how they select new store locations."

Farsite has perhaps garnered the most widespread acclaim for its Oscar predictions. The firm developed a method to predict the winners of the 2013 Oscars, correctly identifying five out of six major award winners and drawing a wave of national media coverage. This, and other "fun" uses of data analytics, is posted on www.farsiteforecast.com. "The big data space is growing but it's young. We are trying to orient ourselves as thought leaders to

educate the marketplace, but we wanted it to be fun," Gold says.

Farsite is part of a growing data-analysis industry in Central Ohio. In addition to other boutique firms, big players have opened up shop as well. For instance, the new IBM Client Center: Analytics Solutions Lab opened off Tuttle Crossing Boulevard near Dublin last year. The industry's growth in the Columbus area, and overall, is fueled in part by the increased attention data analysis is finally gaining, Gold says.

"In the beginning, it was a challenge to build credibility," he says. "Today, the hype around big data and predictive analytics nationally has helped us because people know in general what we as an industry are actually doing."

The power of big data is "integrating a lot of different types of data to get a comprehensive view of the market, and of the behavior and preferences of consumers," Gold says.

"[The] nice thing about being in Columbus is there are so many industries. We have national leaders in retail, restaurants, insurance, banking and health care," Gold says. "You can't find a better concentration of companies that can benefit from data services."

Denise Trowbridge is a freelance writer.