

### Shopatron takes \$6M funding to capture in-store pickup crowd

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<http://venturebeat.com/2007/10/03/shopatron-takes-6m-funding-to-capture-in-store-pickup-crowd/>

[Shopatron](#), a startup working in the obscure field of resolving conflicts that arise in supply channels between manufacturers and retailers, has found an even more unfamiliar niche to move into.

The company now lets users pick up manufacturer's goods straight from a retailer — a more lucrative practice than anyone had imagined, until recently.

Manufacturers typically don't sell their goods directly, often from fear of disturbing established business relationships with a distributor or retailer. However, if they can offer customers a way to buy directly, then pick up their purchases from a local retailer, both parties can profit.

Many customers prefer to pick up their purchases from a store, rather than waiting for a delivery — a surprise because it seems inefficient. A recent Forrester Research study shows that about one-third of all customers prefer to research their purchases online but pick them up offline. (Although a separate [Jupiter Research report](#) contradicts that claim, to an extent.)

Manufacturers discovering their ability to sell directly over the internet for the first time usually need another middle-man to help them. That's where Shopatron comes in, handling logistics and business relationships between manufacturers and retailers. The company offers a software package and customer support solution for online orders.

Once the goods are sold, all three parties take a cut from the profit margin. Shopatron has signed up some 400 manufacturers for the plan. CEO Ed Stevens told us that the field is new enough that he doesn't have any direct competitors, although retailers like Circuit City and Wal-Mart offer in-store pickup through their websites. "Nobody expected consumers to gravitate to this," he said.

The \$6 million funding round, led by Kern Whelan Capital, will go towards helping the already-profitable company expand its operations. An investor from a previous, smaller funding round, Rivenrock Capital, also participated.

Shopatron is based in San Luis Obispo, Calif., and has a workforce of 35, which it is planning on expanding. It also plans to do business in Europe.