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Ric Calvillo

Introducing the Advertising Innovator

By Janelle Weaver

Every day, Facebook attracts about 750 million users from around the globe, and advertisers fiercely compete for their attention, hoping that the money they spend will translate into new customers. But this goal is shortsighted as it doesn’t take into account how much revenue the customers generate over time.

Empowering marketers to predict and optimize the lifetime value of customers is a challenge that Ric Calvillo, Penn alumnus and Penn Engineering benefactor, set out to tackle when he co-founded Nanigans in 2010, and all measures suggest that he has succeeded. As Nanigans’ Chief Executive Officer, Calvillo has led the company to become one of the largest Facebook advertising platforms and was instrumental to the company’s rapid growth in retail, e-commerce, social gaming, travel, education and financial services.

At the center of the company is a platform that uses automated machine learning algorithms to track purchase behavior over time, target audiences based on their similarities to existing high-value customers, and quickly adapt to market conditions. Nanigans’ customers, including eBay, Rosetta Stone, Vistaprint and Zynga, can achieve more than 30 percent cost

savings by taking control of their advertising campaigns and acquiring high-value customers that maximize the lifetime return on investment. “Nanigans has the potential to disrupt the online advertising industry, just like Google and Facebook have,” Calvillo says. “And the online ad world is ripe for disruption.”

Lessons Learned

The road to success did not come easy for Calvillo. Shortly after earning his bachelor’s degree at Penn in 1990, he founded and led Conley Corporation, which developed data storage software and was acquired by EMC Corporation in 1998. He put in about 80 hours each week and never had more than a few months’ payroll, relying on funding from his Penn connections rather than venture capital. “I was an unproven CEO with no track record, so I couldn’t secure venture funding,” Calvillo says. “It was a tough slog for a long period of time.”

The next time around was a totally different story. In 2001, Calvillo founded Incipient, a data storage infrastructure software company, with plenty of venture capital. But he soon discovered that accepting large investments came at the cost of giving up control of the company.



Ric Calvillo, as illustrated for his Nanigans avatar.



Nanigans is known for their one-of-a-kind avatars, which represent the company's unique culture and team. Each team member receives a custom caricature, personalized with hobbies and interests.

Learning his lesson from these Goldilocks-like experiences, Calvillo co-founded Nanigans with a mix of funding from his Penn connections and venture capital firms. “I made sure we were cash flow positive and growing organically so we didn’t need the money, and I could negotiate so that I didn’t have to give up control,” Calvillo says. “Now that I’ve found the right balance, I’m focused on making Nanigans as successful as possible.”

Giving Back

Calvillo’s entrepreneurial drive has clear roots at Penn. As an economics major, he was heavily influenced by his courses at Wharton and a former professor named Edward Moldt, MBA’59, who taught an entrepreneurial management course during freshman year. “Being in that environment really got my competitive juices flowing,” Calvillo says. “I remember on the first day of class, Professor Moldt warned us about the golden handcuffs: If you go to a big company and stay there for a long time, it gets harder and harder over time to start your own company.”

Taking that advice to heart, Calvillo started his first company during his freshman year. After offering on-campus resume services at PageSetters for one year, he founded Hardware House to provide Macintosh computer rentals and memory upgrades from his fraternity house.

Grateful for the education and hands-on training he received at Penn, Calvillo has given back to the University by establishing a need-based scholarship for students at the School of Engineering and Applied Science, and by giving guest lectures to aspiring entrepreneurs. “Engineering is the best skill to bring to a startup,” Calvillo says. “I’ve seen the effects of a real shortage of engineers in the United States, so I’m trying to do my part to fix that problem.”

Beyond Penn, Calvillo has spread his generosity to a local sports program and plans to continue charity work in the future. “The way I justify making money is that I know I will eventually give it back to the community,” Calvillo says. “And the more successful the company becomes, the more I’ll give back.” 🍷