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October 4, 2011, 7:00 am

High School Entrepreneurs Promise to Save Millions for Schools

By JESSICA BRUDER



Ann Johansson for The New

York TimesJonathan Yan (left) and Zak Kukoff: improving grades and reducing crime.

Start

The adventure of new ventures.

Founded in January, <u>TruantToday</u> is a messaging service that alerts parents instantly via text and e-mail message when students cut class. The goal? Reducing truancy and restoring state and federal financing to school districts, which can lose as much as \$50 each day that a student is missing.

Employees: Three full-time employees and hiring two more: a sales representative and a designer.

Location: Westlake Village, Calif.

Founders: Zak Kukoff, 16, and Jonathan Yan, 18, classmates, started TruantToday after Mr. Kukoff skipped a 7 a.m. honors geometry class at Westlake High School. Administrators took two days to call his parents and notify them of his absence.

"An actual person from the school called and said, 'Your son was absent two days ago and, you know, get on that,'" said Mr. Kukoff, the company's chief executive. By then, of course, it was far too late to get him back into class. On top of that, the school was expending limited staff resources to make calls that he felt could easily be automated.

"Being the entrepreneurial sort that I am," he said, "I immediately thought there was a huge opportunity to make a much more efficient — and much more cost effective — system for the school."

For the record, Mr. Kukoff adds that he was not actually playing hooky. "I wasn't skipping to go to the mall," he said. "I was helping the student government set up for a dance."

Pitch: "Right now, schools are losing millions of dollars per year because students don't come to the classroom," Mr. Kukoff said, adding that public schools in San Diego County alone lost at least \$102 million in financing during the 2009-10 term because of absences. "Because we send messages out instantly, and because they go out to parents in a medium they're already interacting in, parents can then work with the school to bring the student back to the classroom in many cases that same day, which not only saves schools millions of dollars but improves grades, lowers dropout rates and actually lowers crime rates as well."

Traction: So far, TruantToday has signed up three paying customers in the Conejo Valley region of Southern California: Mr. Kukoff's own Westlake High School, along with Thousand Oaks High School and Newbury Park High School. The company is running free trials at 10 more schools in Chicago, Los Angeles and New York. It is also in talks with district-level education officials in Sacramento and Seattle, Mr. Kukoff said.

Revenue: None yet. TruantToday charges on a sliding scale — from \$10 to \$1 per student, annually — with lower rates going to clients with the most students. Mr. Kukoff said the company is on track to start collecting revenue this year but declined to make projections.

Financing: The company is currently nearing completion of a \$500,000 round of angel investment, with investors including Dave McClure of 500 Startups.

Marketing: TruantToday has been building buzz with a few early, high-profile coups. Last week, it won \$15,000 in funding and took second place in the Innovation Challenge at NBC's <u>Education Nation Summit</u> meeting. In June, it was voted the most promising of <u>five start-ups selected to participate in CGI America</u>, a Clinton Global Initiative event dedicated to creating jobs and improving economic growth in the United States. In August, the company completed a 13-week program in Boulder, Colo., with <u>TechStars</u>, a start-up accelerator that provides participants with seed financing and mentoring.

Mr. Kukoff said he was pitching TruantToday to media outlets that cater to educators and developing strategies that would give districts incentives to promote the service. He also <u>blogs</u> for The Huffington Post.

Competition: TruantToday's primary competitor is SchoolMessenger, a service of Reliance Communications, which was founded in 1999 and is based in Santa Cruz, Calif. SchoolMessenger offers a notification system that disseminates information about emergencies, attendance and schoolwide events using voice mail, text messages, e-mail and social media. Earlier this year, New York's mayor, Michael R. Bloomberg, teamed up with SchoolMessenger as part of WakeUp! NYC, an initiative that sent chronically absent students recorded wake-up calls from Magic Johnson and other celebrities.

Other rivals include Edulink Systems, based in Orange, Calif., and ParentLink, a service of Parlant

Technology, which has its headquarters in Provo, Utah.

Mr. Kukoff believes his system is more user-friendly than most other software now available to educators. He also said that TruantToday's system lets educators address individual absences more rapidly than his competitors' broad-based messaging services. "We're pitching a very specific return on investment for schools," he said. He added that his service was the only one that allows two-way text messaging, which lets parents reply to the schools with their phones rather than connecting to the Internet.

Challenge: Getting the word out and hiring the right team members. "We're looking for people who are not only going into business just to make profit, but to have a social impact as well," Mr. Kukoff said. "It's important to us to have a company that's founded on an ethos of helping people."

Now it's your turn to weigh in. Can this pair of teenage social entrepreneurs go head-to-head with rivals that have been around for more than a decade?

Correction A previous version of this post reported that Mr. Kukoff had said the company had started collecting revenue. He says he meant to say that the company is on track to start collecting revenue.

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1.

K. Yates

CT

October 5th, 2011

6:01 pm

Big deal. I would be a lot more impressed if they came up with a way to make students want to go to class.

Recommended by 2 Readers

<u>2</u>.

Molly

New York, NY

October 5th, 2011

6:01 pm

Wow. I bet your classmates are really going to love you guys. You're using your "entrepreneurial" skills to rat out kids for skipping class? If you actually cared about the effects of truancy, maybe you'd volunteer with foster kids or try and attract kids to school in a positive way. On second thought, if you actually cared about school budget cuts you would try to lobby your local representatives to spare schools and save money in more responsible ways. Instead of educating yourself and others and actually trying to help people, you're taking money for someone else getting detention.

Recommended by 0 Readers

<u>3</u>.

HIGHLIGHT (What's this?)

Barbara

Wappingers Falls, NY

October 5th, 2011

7:02 pm

As a high school teacher who clearly spends a lot more time than the previous posters, I have just one thing to say: brilliant. Using technology to reach parents quickly would be a huge help in getting more students to attend class. Teachers would love to get more support from families.

As for getting students to want to go to school, when was the last time you woke up in the morning and said, "Gee, I can't wait to go to work today"? I certainly don't do that and I LOVE my job. Really. Have more respect for high schoolers. They deserve it.

Recommended by 10 Readers

4

allison

Pretoria

October 6th, 2011

4:24 am

To K. Yates - When was the last time you learned how to start a company, get investor funding (in a down economy), learn how to market to the right people, get test pilots projects through a school system bureaucracy? Whatever happens to their company, that process itself is a big deal for anyone let alone a couple of teenagers. And regarding the system itself, as a parent, I would welcome it, especially the ability to send an SMS right back to the school instead of stopping my day to find the right number and then trying to reach someone specific through a school switchboard. That is innovation. You, on the other hand, sound like a high schooler or a drop-out who needs a change of attitude. It's that obvious. At least you read the NYT, probably only because you saw your classmates featured in it.

To Molly: Maybe you should spend your own time doing those things rather than ragging on people who are actually doing something to provide a needed service. Smile, and get busy.

Recommend Recommended by 4 Readers

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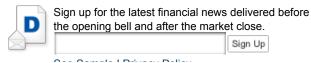
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