



David Johnson, founder and CEO of military social network ArmedZilla.com, is launching the revamped site on Veterans Day, Nov. 11.

JIM POULIN | PHOENIX BUSINESS JOURNAL

Military support

Website relaunches with new advisers, programmers and investment

BY PATRICK O'GRADY | Phoenix Business Journal

David Johnson's effort to provide an online home for active and veteran military personnel is getting a second, more robust tour of duty.

ArmedZilla.com plans to launch its rebuilt website on Veterans Day, Nov. 11, after a year during which it attracted outside investment, brought in advisers and programmers, and began prepping for expansion.

Even with the new features and growth, ArmedZilla

still is all about connecting those who have served in the military, Johnson said.

"The system is broken," he said. "That's why we started ArmedZilla. You have these entities and people that have no way to connect."

Johnson and Chris Ellis co-founded ArmedZilla in

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ARMEDZILLA: Founder wants to use site to help troops returning from war

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Scottsdale in 2010 as a site where military members, both active and retired, could gather and share information.

Johnson served three tours in Iraq. When he returned to the Valley and started attending classes at Arizona State University, where he earned a degree in communications, he noticed there were other veterans like himself in their mid- to late 20s who were looking to connect.



'Close-knit and focused networks are where the future of social media is heading.'

Roger Hurni
Off Madison Ave

founder of Beechtree and chairman of ArmedZilla, said the company was an appealing investment for several reasons.

"I'm always looking for what I think are impactful, niche businesses that are at the forefront of their industries," he said.

A NATIONAL NETWORK

ArmedZilla certainly has a niche. There are more than 561,000 military vets in Arizona, according to the U.S. Department of Veterans Affairs, and more than 24 million across the country. When ArmedZilla expands to include military family members, that number swells to nearly 100 million people, Johnson said.

The company has added two main upgrades to benefit users and businesses looking to access the site. Users will be able to access the "keypoints" function, which allows them to establish the dates and locations of their military

service. That led to the first iteration of the ArmedZilla website, launched last summer. It drew favorable interest, and Johnson was slated to present at last year's Invest Southwest Capital Conference, but he backed out after receiving an undisclosed amount of funding before the event.

Johnson declined to name his funding sources or the company's revenue, but he said the investment was enough for ArmedZilla to hire 12 employees. They include software designers brought in from Silicon Valley, who have revamped the site's code and added several new features.

Beechtree Capital, which has offices in Scottsdale, New York and California, was one of the company's early investors. George Weiss,



ArmedZilla.com will relaunch its website for active and former military personnel on Veterans Day, Nov. 11.

service. It's similar to Facebook's new timeline feature, and ArmedZilla has attached it to an algorithm that allows users to find people who served in the same places or same units they did, Johnson said.

Companies looking to tap into that market will be able to use the "channels" segment to set up locations for users to visit. That could include anything from military equipment manufacturers for boots and gloves, to nonprofits that offer services to veterans after they are discharged.

"With veterans, they often know what they need, but don't know where to find it," Johnson said.

Rick Rudenick, director of operations for the Los Angeles-based National Veterans Foundation, said veterans often don't know where to start looking for services, but younger ones are more inclined to look online for answers.

"Younger vets, 40 and under, we see a lot of them finding us through social media or on our chat line," Rudenick said.

That increasingly will come into play as thousands of Iraq War personnel return home this winter.

ArmedZilla's business model gives users free access. Even companies and groups will have basic access at no cost. The company is developing fee-based software modules to generate income and is considering selling company advertisements on the site, Johnson said.

He already has met with various people in the U.S. military about how to tie the site into various branches' efforts to help personnel coming home from Iraq and Afghanistan. Because of the site's targeted nature, he expects it will appeal to businesses that cater to the military and its personnel.



von Graf

"We're projecting our value per user is going to be greater than something like Facebook," he said.

FUTURE OF SOCIAL MEDIA

Niche social media sites are not a new phenomenon, but they are growing as more computer-literate generations start looking for networking tools. Targeted advertising on such sites can be a big draw for companies as opposed to broader social media sites, said Fred von Graf, founder of Social Media Arizona.

"What you have with Google or Facebook or other sites is you're using a shotgun approach," he said.

Roger Hurni, co-founder of Off Madison Ave in Phoenix and president of the Arizona Interactive Marketing Association, said large social networks tend to be more fragmented from a marketer or business perspective, and that makes it difficult for niche groups to start there.

"When we, as marketers, want to attract the strongest brand advocates — the ones with the largest voices and dedication to the subject — we look to niche sites," he said. "Because, in order for you to want to join and be a member of something that is so focused, you've already committed yourself to actively participating and engaging around that specific interest."

The challenge for companies looking to tap niche sites is whether they provide a large enough marketing channel, Hurni said.

"From a social media trend perspective, we don't see brands taking enough advantage of these niche social media communities based on specific subject matter," he said. "And in seeing these communities spring up so frequently, and with users' drive to connect in relevant and meaningful ways, we see that close-knit and focused networks are where the future of social media is heading."

Weiss said part of the attraction for investing in ArmedZilla was the lack of other players in the market and the inroads Johnson already had made with large veterans groups while building the site.

"I think the world of him," he said. "He's an amazing guy."

ARMEDZILLA.COM

WHAT: Social media site for military veterans and active personnel

FOUNDED: 2010

CEO: David Johnson

HQ: Scottsdale

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