Alumnus gets ahead in the cloud

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David Olk (BSM '98) helped build ShopKeep into one of the industry's leading cloud-based POS systems before selling the company to Lightspeed in November 2020.

In 2011, David Olk (BSM ’98) teamed up with Jason Richelson to raise $2 million to build a company with the goal of taking small businesses where they’d never gone before: the cloud.

As co-owner of a specialty grocery store and wine shop in Brooklyn, Richelson had struggled with the store’s clunky point-of-sale system, which required him to be physically present within the store to use and often broke down. He resolved to build a better point-of-sale system, one that would utilize the new technology of cloud computing to enable business owners to access information about how their stores

were performing from anywhere.

“When Jason and I met,” Olk recalls, “I had the opportunity to build something from scratch, and he had the opportunity to have somebody who [could] help run the business and raise all of the capital so he could focus on the product. And that’s exactly what we did.”

The result was ShopKeep, a cloud commerce platform provider that targeted small retailers and restaurants. By accepting any type of payment and providing features such as automatic inventory tracking, employee management and real-time sales reporting, ShopKeep played a vital role in helping small- and mid-sized businesses — like Richelson’s grocery and wine shop — start up and grow.

Early on, the company made the wise decision to put its upstart POS system on the newly introduced iPad. Installed at Joe’s Coffee kiosks in Grand Central Station and at Columbia University’s Science Center, ShopKeep’s reputation exploded in the business-to-business community.

“We had retailers calling us directly,” Olk recalls. “We made it very simple, very easy to get started and very, *very* well supported — everything that was missing from Jason’s own experience with his stores.”

Olk says the combination of the game-changing new technology together with Richelson’s firsthand experience as a small-business owner helped give ShopKeep an edge in the marketplace.

“It was very compelling for me to see this new distribution opportunity,” Olk says. “Really for the first time we were able to provide retailers technology in a way where the unit economics made sense alongside someone who really understood all of the problems.

“Before you know it, we had 20,000 customers. And we kept raising more and more capital.”

In November, Lightspeed, a Canadian provider of cloud-based, omnichannel commerce platforms, announced it would be acquiring ShopKeep for approximately $440 million. (Since then, the value of the deal has grown to over $700 million due to Lightspeed’s stock performance.)

“It’s a great deal for both companies because the combination of technologies and the footprint that it covers will allow them to expand together,” says Olk. “Our strength was specialty retail, quick-serve restaurants and very small chains, full-service restaurants and bars whereas with Lightspeed, their product works in almost every form of retail and hospitality. We liked the culture of the company, and we liked the fact that they were willing to invest in ShopKeep’s growth along with their growth.”

As he focuses on growing his next company, Voray, a professional development platform for senior-level executives, Olk credits the Freeman School with setting him up for success.

“My time at Tulane was instrumental,” Olk says. “The Tulane network is in New York, and they were making introductions to venture capitalists and all of the people that you require in order to start a company.”

Today, as an Innovator-in-Residence at the Albert Lepage Center for Entrepreneurship and Innovation, Olk is giving back to Freeman in a very personal way by mentoring and investing in students interested in becoming entrepreneurs.

“It’s been a great journey,” he says. “And it’s been great to take what I’ve learned in my career and share it with the next generation of entrepreneurs.”