



**FOR IMMEDIATE RELEASE**

**Media Contact:**

Stephanie Vanderholm  
[svanderholm@metzger.com](mailto:svanderholm@metzger.com)  
303-883-8832

**Coalfire Closes \$3.6 Million in Series B Funding Following Strong Performance in 2012**

*Baird Capital investment will finance new business initiatives*

**Louisville, Colo. – Feb. 5, 2013** – [Coalfire](#), a leading independent IT governance, risk and compliance (IT GRC) firm, today announced it has closed a \$3.6 million round of venture funding from Baird Capital.

“IT GRC has become a top priority for just about every enterprise, and savvy leaders want the peace of mind that comes from a fully independent auditor like Coalfire,” said Jim Pavlik, partner with Baird Capital’s Venture Group and member of Coalfire’s board of directors. “Coalfire is one of the high performing companies in our portfolio and this additional capital will help them grow even faster in 2013 and beyond.”

This is Baird Capital’s second round of venture funding for Coalfire, following a \$5 million Series A investment in February 2011.

“We value the partnership with Baird Capital and have benefited greatly from their strategic and financial support over the last two years,” said Rick Dakin, CEO and co-founder of Coalfire. “We have a healthy and profitable core business, and this funding round will allow us to pursue new opportunities as well.”

The Series B investment follows a record sales year for Coalfire. In 2012, the company increased revenues by more than 35 percent, served more than 1,000 clients and significantly expanded its healthcare practice and sales of its new Navis® SaaS compliance offering. The company grew from 94 to nearly 130 employees in seven U.S. offices and completed its first acquisition -- Digital Resources Group, previously headquartered in Silicon Valley.

In addition, the company became an accredited FedRAMP assessor, enabling it to audit cloud service providers serving the federal government. Coalfire was among the first certified [3PAO](#) firms, and is the only firm that carries [PCI](#), [HITRUST](#) and FedRAMP credentials.

“We are very pleased with our 2012 performance,” said Larry Jones, Coalfire’s newly appointed executive chairman and long-time board member. “In addition to posting significant growth, Coalfire has become a trusted advisor and opinion leader on emerging topics like cloud, mobile and point-to-point encryption (P2PE).”

## **About Coalfire**

Coalfire is a leading, independent information technology Governance, Risk and Compliance (IT GRC) firm that provides IT audit, risk assessment and compliance management solutions. Founded in 2001, Coalfire has offices in Dallas, Denver, Los Angeles, New York, San Francisco, Seattle and Washington D.C. and completes thousands of projects annually in retail, financial services, healthcare, government and utilities. Coalfire’s solutions are adapted to requirements under emerging data privacy legislation, the PCI DSS, GLBA, FFIEC, HIPAA/HITECH, HITRUST, NERC CIP, Sarbanes-Oxley, FISMA and FedRAMP. For more information, visit [www.coalfire.com](http://www.coalfire.com).

## **About Baird Capital**

Baird Capital makes venture capital, growth equity and private equity investments in strategically targeted sectors around the world. Baird Capital’s venture team invests in early and expansion stage technology-enabled services and healthcare companies. Having invested in more than 260 companies over its history, Baird Capital partners with entrepreneurs and leverages its executive networks to strive to build exceptional companies. Baird Capital is the direct private investment arm of Robert W. Baird & Co. For more information, please visit <http://www.bairdcapital.com/bairdcapital/venture-capital.aspx>

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