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Xitore Seeks VC Firm

Some “large, strategic technology companies” have asked a Mission Viejo startup to find a lead VC firm to put a valuation on the company and set up its first financing round. Xitore is in the midst of raising a Series A round of \$5 million to \$8 million by the end of the year and is looking for a lead venture capitalist, Chief Executive Mike Amidi said.

Xitore has designed a data-storage device to increase bandwidth and reduce latency. Bandwidth is the data transfer speed, and latency refers to the delay before the data transfer begins.

Amidi has worked in the storage industry since the mid-1990s and said he noticed a problem with slow speeds. So he set out to disrupt the industry and has already received interest from “large, strategic technology” companies interested in investing.

Xitore is in the process of designing its controller, which will be the core technology of the product. It plans to make its first prototypes available to customers in 2017, Amidi said. The company has received one patent for its technology and has six more in the pipeline.

Amidi said he hopes that major players in the market, such as Western Digital, Intel and Samsung, will take notice and invest in the company.

Xitore officially launched in 2014. The startup recently revealed some of its technology at the Flash Memory Summit 2016 in San Jose and has raised an undisclosed amount of funds from friends and family. It prefers to draw upon institutional investors for its first raise, Amidi said.