

# Your Story: Auror's software fights crime the smart way

---



*(Left) Auror CEO Phil Thomson and Head of Product Tom Batterbury.*

**After helping a range of local retailers and New Zealand Police nab light-fingered criminals, New Zealand-based software company Auror is going global. Across the Tasman – where petrol theft costs outlets an estimated \$66 million each year – interest in Auror’s crime reporting and intelligence platform has soared, and the company gained 175 customers in its first four months of operations there.**

**With its viability established and platforms tested on the domestic and Australian markets, Auror is eyeing the lucrative US market.**

**Auror’s co-founders include Otago Commerce alumnus Tom Batterbury and Faculty of Law graduate Phil Thomson, who say their time at Otago and a desire to fill a void in the crime intelligence market have provided a recipe for success.**

## **Where did the idea for the software come from?**

**Tom Batterbury:** We were keen to find an opportunity to start a company of our own that would potentially scale into a global business. When we started doing some research, we were astonished at the prevalence of retail theft in New Zealand – around \$2 million every day— and nearly \$100 billion a year globally.

## **You presented at the Victoria Police Petrol Theft Forum recently; what are the international applications for this product?**

**Phil Thomson:** Crime is a global problem with consistent challenges, so there’s plenty of market opportunity for our platform around the world. Our current international focus is on Australia, where the issues of everyday crime are largely the same as in New Zealand, but on a bigger scale. In New Zealand, retail theft costs the economy about \$2 million a day; in Australia it’s \$19 million. Looking further ahead, the US has more than 18,000 different law enforcement agencies that aren’t currently using a platform like ours to share intelligence; that’s an incredible market for us and we’ll be taking a close look at it in time.

## **Any recent achievements?**

**PT:** Auror was named Emerging Innovator of the Year at the NZ Innovation Awards in October. This is the second time Auror has won an Innovation Award, after being named

Young Innovators of the Year in 2015. We were also named as the Rising Star of the Auckland and Upper North Island region in the Deloitte Fast 50 this year.

In 2015 we entered a national partnership agreement with NZ Police that puts Auror into the hands of every police officer in New Zealand; that was a tremendous endorsement of the value and power of our platform to help make a difference in the community.

Another that stands out is our national rollout with Z Energy; we've helped reduce drive offs by more than 70 per cent in most Z locations.



(Left) Receiving the Deloitte Fast 50 Rising Star award last year and (right) meeting with NZ Police.

## How big is the problem your software is designed to combat?

**PT:** The problem of everyday profit-motivated crime is massive. Compared to more serious crimes, things like shoplifting and petrol drive-offs don't get the same publicity, but have a huge impact on the economy and our communities. Shoplifting alone costs the global economy more than \$100 billion every year, and it is considered a gateway crime to more serious offending. During Operation Shop in 2015 (a one-month targeted anti-shoplifting operation in Christchurch) Auror was able to help Canterbury Police effect 135 arrests, increase preventions by 55 per cent, and help stores recover 75 per cent of stolen goods.

Since building our platform initially for retail, we've expanded our platform to integrate with emerging technologies like Automatic Number Plate Recognition (ANPR) cameras to help fight petrol theft and detect offender vehicles; we continue to find new opportunities to expand and enhance our software to fight crime in other sectors as well.

If we can make even a small difference in reducing and preventing crime, help identify problems before they become more serious, then we've made a billion-dollar difference in the world. We aim to create a business where people love to work and make our communities safer.

## What have some of the 'learning-curve' moments been post-Otago?

**TB:** My first role was a graduate job at Deloitte as a Management Consultant. I got to meet and work with some really talented people on challenging projects and I was lucky enough to work on a project in Chicago for Graeme Hart's private equity company, The Rank Group.

Many of my other highlights relate to building our crime-fighting software business, Auror, which transforms how Police and businesses prevent and solve crime. On our journey so far, we've signed a first-of-its-kind national partnership agreement with NZ Police, landed nationwide deals with companies like Z Energy, Countdown and Briscoe Group, and we've even had conversations with Walmart and the FBI.

**PT:** After graduation I worked for four years as a commercial lawyer at Simpson Grierson specialising in intellectual property. But when the opportunity to start Auror came up, I left the corporate dream to become part of a startup seeking to tackle the global problem of crime. The learning curve for me has been to learn how to back yourself and believe in your

vision even if others are sceptical or don't see it the same way you do. We had to get used to people saying 'no' to us in the early days before we gained traction, and the only way through that was to dig deep, build some resilience and believe that what we were doing would ultimately succeed.

### **You gained extra funding in 2015; what are some of the benefits of having the backing of a broad shareholder base?**

**TB:** We started Auror with zero dollars and over a couple of years we bootstrapped the company, working at first to turn what was an idea into a product, and then into a business. After many late nights and weekends we signed our first customer, Countdown. We then made a conscious decision to raise capital to help us speed up our sales. In 2015, we gained a second round of funding from an awesome group of investors including Sam Morgan, Sir Stephen Tindall, and Reinventure (Westpac Australia's venture capital fund). They believe in what we're doing – they are also great sounding boards as our business grows.

**PT:** The benefits of having a great shareholder base are the advice, knowledge, and connections it provides. Our shareholders are great people to learn from.

### **Where to from here?**

**TB:** Our goal is to help solve the problems of crime locally, then take our solution to the world.

### **Which aspects of study, or information from your time at Otago do you refer to often in your current role?**

**TB:** Otago taught me how to learn new things effectively, and how to work with others to solve problems. At Auror we're often doing things that haven't been done before so flexibility is essential. I gained a great deal from the class component of the Entrepreneurship programme, which was run in an MBA style. Working with like-minded people, doing the deep-dives on specific subjects, and exposure to interesting guest speakers was great.

**PT:** Studying law at Otago gave me the ability to think critically and assess new situations. As President of Society of Otago University Law Students, I learned how to work closely with a diverse team to get great outcomes—a lesson that applies directly to our work at Auror.

### **Have these studies had any spin-off benefits, such giving insights into what it takes to survive as an entrepreneur?**

**TB:** Self-belief is critical for an aspiring entrepreneur and it's just as important for graduates entering the competitive workforce. The biggest thing I took from the Entrepreneurship programme was confidence to back my ability to problem solve and communicate my rationale effectively.

### **Was working with several Otago alumni intentional?**

**PT:** Out of the five of us that started Auror, three were Otago alumni. Former OUSA President Edwin Darlow, who Tom and I knew separately from our time at Otago, brought the group together with a range of skillsets needed to build Auror from the ground up. We all had a similar mindset on wanting to build a business that tackled a major global problem, and all being Otago alumni we got on well together.

### **What are some of the benefits of being an Otago alumni?**

**PT:** You have an immediate connection with other Otago alumni when sharing stories of what it was like when they were going through university. That shared experience makes it very easy to get on with other alumni and build a relationship with them.

## **What is the “value” of an Otago degree to you?**

**TB:** For me, the value of going to Otago is the holistic experience you have studying towards the degree while living in a great town. The experience made me a more well-rounded person. So I got an internationally recognised degree, but I also developed different skills that made me more employable when I graduated. This is a real differentiator of an Otago degree.

**PT:** The environment of Otago is totally unique and allow people to live and learn with others from all walks of life. It fosters a collaborative learning environment in, and outside, the classroom which is distinct from many other universities.

## **I'd recommend study at Otago because . . .**

**TB:** It's the complete package. You'll get a degree from a world-renowned university and have the time of your life while you earn it.

**PT:** Living and studying in Otago gives you a unique opportunity to grow as a person during your formative years, find life-long friends, and learn from the best.

**[Click here to visit Auror's website.](#)**