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## Microsoft Co-Founder Allen Bets on Online Voting; Funds Scytl

By LISA FLEISHER

People bank online and do their taxes online.

But not many vote online.

On Monday, Microsoft co-founder Paul Allen's venture-capital fund said it was betting that online voting will win over skeptics worried about security and gradually become the norm for elections world-wide.

Vulcan Capital's growth equity fund, based in Palo Alto, Calif., said it will invest \$40 million in Scytl, a digital voting services company based in Barcelona with customers in more than 30 countries, including Canada, Mexico and Australia.



Endangered technology? French electoral officers count votes during a municipal poll last month. --- EPA

Scytl, founded in 2001, sells a range of services aimed at modernizing elections, from training poll workers and registering voters to hosting elections online and counting votes. Scytl has previously received investments from Balderton Capital, Nauta Capital and Spinnaker SCR.

Abhishek Agrawal, a managing director of Vulcan Capital, the investment arm of Mr. Allen's Vulcan Inc., said he thinks that developed cities and countries will slowly upgrade their election technology and, in a few years, become comfortable with going fully digital.

"This is a very powerful global trend," he said. "There is a pathway toward gradual modernization."

Voters have periodically completed and returned ballots online in a handful of jurisdictions across the globe, usually related to overseas voting. The idea of moving more aggressively has been percolating for more than a decade. But various technological snafus have made politicians, voters and academics wary of going too quickly.

The two major technological methods currently used in voting in most developed democracies are touch-screen devices and paper ballots systems. The latter allows a physical recount if necessary.

Critics say the security involved in online voting still isn't good enough to ensure the integrity of democratic elections.

"The stakes may be so high that the incentive to tamper with the system would overwhelm any currently available designs that preserve integrity," said Alexander Shvartsman, professor of computer science at the University of Connecticut.

ScytI Chief Executive Pere Vallès said he understands the hesitation around digital voting.

"Elections are very critical processes and people are very risk averse," Mr. Vallès said. "Nobody really wanted to be the first one to introduce online voting, but nobody wants to be the last one either."

Mr. Vallès said his company can keep voting secure by piggybacking on security systems now involved in government-issued electronic identification cards that include pictures and chips. Voters can also cast ballots by logging into a bank account.

"The same way they would transfer money, they vote," he said.

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