

# Transcription

Founder Interview - Panayotis Vryonis Talks About BigStash Cloud Storage

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Mauricio: So hi, and welcome to Cloudwards.net for a video interview. This time, I have a very special guest. I'm really, really excited about this. He is Panayotis, and he's the founder and CEO of BigStash. Today, we're going to talk a little bit about what BigStash is, why it is so special.

But before we really dive deeper into this cloud storage service, I really would like to know you a little better, Panayotis. So why don't you talk a little bit about yourself, your history, your background? Then we're going to talk about BigStash.

Panayotis: Hi Mauricio. Nice to meet you. Well, my background . . . I'm a software developer. I used to be a software developer. I started getting into open source and Linux in the late '90s, mid '90s. I then turned into social media consulting. It wasn't called social media back then, in the early 2000s, because I had my own blog and podcast. Just having the minimum expertise in those fields would make you an expert back then.

Mauricio: Oh, yeah. That is excellent. So what was your podcast called? Is it still online?

Panayotis: Vripan Radio. No, it's not online. You could find the old archives. But anyway, it's in Greek. So it probably wouldn't be of interest to you.

Mauricio: Oh, okay. Maybe we have Greek listeners.

Panayotis: Hope so. Yes. I worked for a big advertising agency, Ogilvy in Greece. Yeah, this was my thing for the last decade, more or less.

Mauricio: So you developed software for Oglevee? Or what exactly did you do there?

Panayotis: Yes. Yes. In the beginning, it was software development. Then I started doing more consulting, social media consulting and web 2.0, was called back then in the beginning, then social media. Well, eventually a couple of years ago, I decided to start my own business.

I founded the Long Access. Long Access started as a service that would let parents . . . Because in the meantime, I became a parent. I have a four-year-old daughter now. I wanted to find a way to preserve all these videos and photos we had of her, in a way that she could find them even after 20 or 30 years, once she would be old enough to care about these things.

Mauricio: So what year are we speaking of? Was it 2008? 2009-ish?

Panayotis: No, no. That was 2012.

Mauricio: Okay.

Panayotis: That's why I founded Long Access, but we realized that even though it was an interesting service to a lot of consumers, we had some problems with the adoption rate because people . . . Long access offers 30 years prepaid storage. So a lot of our consumers would buy the storage, and they would say, "Okay. Now I have paid for 30 years. When I find a good time, I will organize my stuff and upload it there." Obviously there's never a good time for anyone to sit down and organize stuff.

Mauricio: Exactly. Yeah.

Panayotis: So we decided to use the expertise we had developed and the software we had developed so far to create a lighter service, which we called Big Freeze.

Mauricio: So which . . . Just hold on for a second. So for Long Access, how was your structure . . . How was the software structured? And which services did you use as a server infrastructure to store people's data?

Panayotis: Well, we used Amazon AWS services, and the main storage is AWS Glacier.

Mauricio: So I believe DropBox also uses AWS, but they are not reliant on Glacier but on the . . .

Panayotis: On S3.

Mauricio: On S3. Exactly. So you have always used Glacier, or you started using Glacier when it became available. Right?

Panayotis: Yes, that's right.

Mauricio: Okay. So it was . . . Yeah?

Panayotis: Because . . .

Mauricio: Go on.

Panayotis: Because our use case is the data that the people will upload now and will need some time in the long future. So waiting for a couple of hours for the data to become available is not such a big problem, and actually cost is a much bigger issue. So Glacier looked like a good fit.

Mauricio: So I want to rewind just a little bit. So when you started Long Access, did you bootstrap it? Or did you have any capital on-hand? So how did you start this company?

Panayotis: We were lucky to get founded, to get some seed funding by a Greek venture capital called The Open Fund. We raised . . . Once we had the team in place and the business plan and a minimum prototype, we received about 100,000 euros. So yeah, we had seed funding back then. Well, actually today, we're announcing our second funding round, which is 300,000 euros.

Mauricio: Wow. That's excellent. Congratulations.

Panayotis: Thanks.

Mauricio: So then you transitioned from Long Access. You said, "Okay." Now you wanted to rebrand your service into BigStash, basically. So maybe you could talk a little bit. Why exactly did you transition to a new name, to a new brand? What led you to actually find that this was a better strategy to follow?

Panayotis: Okay. I know this is a bit confusing, and it's not good for a startup to have multiple services, and we should be focused on only one of them, but Long Access is still out there. It's working, and we think that in the long run, it will be a very interesting and valuable service.

Yeah. So we transitioned to a lighter service, which we initially called Deep Freeze because we used cold storage. But after some time, we launched Deep Freeze in, I think June this year, a few months ago. But we realized that cold storage was not the most interesting point for our users.

We realized that when we asked our users why they liked what we then called Deep Freeze . . . For example, they would say, "We like it because it's not easy to delete things, because it's a place where we can put things and not worry that we will delete them because we synced something with another computer or because we opened a Word document or an Excel document and didn't realize that we saved the changes on top of the old ones," things like that.

So actually the cold storage part was not the most important thing. The archiving part was the most important thing for them. We decided to move from something that referred to cold storage to something that refers more to the act of archiving and getting your stuff in a safe place.

Mauricio: So you would think that it was mainly like a phrasing problem, that people could not really identify with the name or the phrase "cold storage," and instead wanted to use more of the archiving aspect? Was that the main reason?

Panayotis: Yes. Because when we called the service Deep Freeze, we would go into a lot of parallels like freezing your data and defrosting your data. It works up

to a certain point, but once you try to take it further, it doesn't always work. Okay. It's a good parallel, but it can get you so far. So we decided . . .

Mauricio: Okay. So then let's talk about your new name, your new product, you have BigStash. What is it actually . . . What is your main selling proposition? So why would I sign up for BigStash? And why would I not go directly to Amazon Glacier and put my data there?

Panayotis: Okay. We actually have two kinds of competitors. One of them is Amazon Glacier itself, but the way Amazon Glacier is built and structured, it's built to be used by developers, not consumers, even the way that you have to create your own access keys and use special tools to upload files and use what they call folds and things like that.

Then they have a pricing scheme which is very complicated. I don't think that anyone can actually estimate the exact cost of retrieving the data . . .

Mauricio: Yeah.

Panayotis: . . . which is good. They charge for what they actually offer, but it's not good for a consumer that wants to know that, "Okay. I've paid now, and I can upload and download my data whenever I want." So we decided to build an abstraction layer on top of this and offer consumers more user-friendly access to services like Amazon Glacier.

On the other hand, we have competition from the typical cloud storage providers, like DropBox and Google Drive, but most of them are built around the syncing model, which means that you actually have to have all the data that you upload on your computer too.

Mauricio: Exactly.

Panayotis: Of course, they do have options for selective syncing and things like that, but these feel more like hacks and not like the core product.

Mauricio: Exactly. I understand. Yeah. So you would actually recommend . . .

Panayotis: If you're like me . . .

Mauricio: Yeah, go on.

Panayotis: If you're like me, and you have a laptop with a 250 gigabytes hard drive, you probably won't be able to keep all your photos or the video you're shooting right now after you edit the raw footage, things like that.

Mauricio: Yeah, it's always a problem, especially with video files. They're getting enormously large. So maybe you could outline a typical use case scenario for your service. So who would benefit most from this type of cold storage, from BigStash?

Panayotis: Yeah. I think that creatives, like people that do audio and video processing, are the people that would be very interested in our service, or GoPro users. All these users are people who create a lot of video and audio and very large files. They process it. They get something, which is the finished product, and then they have to decide what to do with the original raw material, which is big.

Of course, they can keep it on a local drive, but we've seen a case of a small video production company in the States who told us, "We have like 20 drives. We're in trouble."

Mauricio: Yeah, that's incredible.

Panayotis: We don't know what to do with them. Okay. We put our stuff in there, but it's hard to manage it. It's hard to back it up. It's hard to make sure the drives are still working. I think that anyone who's shooting raw video or recording loss-less audio files, things like that, would really like to have a place where they can put the original material. If they need it . . . They probably won't for a number of years or months. But if they need it, they can download it.

Mauricio: So how do you address the problem of transferring files to the cloud? It would take an enormous time to actually get two, three, five, six, eight, 10 terabytes of files onto your service or onto other service. How do you deal with that? Is there any solution? Any workaround you've worked on or you're currently working on?

Panayotis: Well, we know . . . We think that we're something like the USB, the external drive, but for the cloud. In order to make this work, it has to work like an external drive, but it has to be able to plug into different devices. Well, in the cloud, we don't have different devices. We have multiple services, like DropBox and Google Drive and One Drive.

So we initially launched with DropBox support, which means that you can easily transfer files from DropBox into DropBox, which we think would be a good fit for people that have DropBox integrated in their everyday workflow. If you upload the raw footage of an interview to DropBox for someone else to edit, then you've done this type of upload in your files in the cloud. Then it would be easy to copy these files from DropBox to BigStash.

Mauricio: But it is not very likely that somebody who is archiving terabytes of data, that this person is actually using DropBox for this kind of service. So for example, I would not be archiving my files on DropBox because of security reasons and because it is basically more for the active usage of files.

So I was referring to directly transferring files to your service and actually how long that would take and if you have any workarounds, such as that I can send you my hard drives, and you're going to do the transfer a little bit faster or any other prioritization or speeding up the upload, because this is going to be very tedious, I guess.

Panayotis: Yes, it is. No, we don't currently offer a service where you could send us a drive or something like this, and we'll take care of uploading the data. It is something we've considered. I don't think we're ready to do it. I'm not sure that in the long run, this is a solution. I think that in the long run, people will have better upload speeds.

Mauricio: Yeah.

Panayotis: We are doing our best to improve our desktop clients so that they're more efficient and faster, but of course there's a limit.

Mauricio: Yeah, all those things. It's always a little frustrating. Currently I'm using both Back Blaze and Crash Plan. I'm sure you're aware of those backup solutions. I have roughly . . . I don't know. On my personal computer, I have around two terabytes. On my company computers, we have terabytes of terabytes of data. I see . . . Wow. It's going to take 200 days to upload my two terabytes of files.

So of course, if somebody would like to archive 16 terabytes of video files, that is going to be very, very, very time-consuming, but I get the idea that when time

progresses, Internet connection speeds are going to be faster. But this could be obviously a problem for your business model, I guess.

Panayotis: Well, it's a problem for any cloud storage.

Mauricio: Yeah. Sure.

Panayotis: I think that the integration with other services that people use in their workflow . . . As I mentioned before, if you're, for example, a photographer that's using DropBox or Google Drive to share the original photos with a client before they decide which ones are to be used for the final product, then you've gone through this type of uploading your data to the cloud.

So offering a way to transfer data to and from these services to BigStash, I think, will be a good solution for many, in many use cases.

Mauricio: How do you deal with the actual security? Do you currently encrypt files before they are sent to the cloud? Or do you plan on implementing encryption?

Panayotis: Well, this is an interesting part. When we launched the original service I told you about, Long Access, we went into great lengths to build very strong security and client-side encryption with random keys that we even didn't have access to. We found out that this was actually a problem for most of our users.

We had to spend a lot of resources and effort to educate and explain the value of this kind of security. So BigStash has no encryption and no security features in this way, in that sense, but we're already planning some features. We think that the archiving nature of the service offers an opportunity to address the security issues in new ways.

The reason is that when you don't need immediate access, when you don't expect that you will have immediate access to your data, when you don't expect to be able to sync data between multiple devices, there can be other ways to add security that are not intrusive and that users will like. I can't say much more than that.

Mauricio: Yeah. For example, I could, for example, imagine a law firm, for example, that have terabytes of contracts and important files of their clients that are worth high protection. So maybe a solution would obviously be if you do not do

the encryption part, then prior to uploading the files that they take care of the encryption process, if they want to do so.

But it's very interesting that you commented that most users actually seem to not care or seem to not actually pay a lot of attention on the security aspect, preferring that they install just a software which transfers the files directly without a hassle of selecting a personal pass phrase that they might forget, and they would never be able to access their data again. So this is an interesting aspect. So do you think that the overall development goes more towards less encryption? Or towards more encryption? What is your take on that?

Panayotis: No, I don't think it's the user's problem. It's our problem, the developer's problem. We have to provide security and encryption in ways that is easy for the average user to understand and use and not be a problem in their everyday workflow.

I think that we will see more and more encryption in more products. As I said before, we intend to add a security layer that will integrate encryption in BigStash.

Mauricio: So tell me a little about the pricing. So how do you currently price the cloud storage solution for users and businesses?

Panayotis: Well, our pricing starts from \$15 a year for 100 gigabytes and up to \$500 for five terabytes.

Mauricio: Per year.

Panayotis: Per annually. Yeah. We are currently offering five terabytes for free for one year. The reason is that we would like users to use the service and not feel limited to what they can do for at least a year. Then they can pay for the plan that better fits their needs.

Mauricio: Yeah. That's actually a great idea, the free-mium model. So you tried to convince people of your service. Do you think that one year is enough? Because maybe if you're reliant on the cold storage principle and archiving principle, people will not even need to access their files within a year. So do you actually think that's going to be a problem?

Panayotis: No, no. I don't think so. I think that proving the value of our service is when they actually upload their data. If you realize that . . . If you think that our service is a good fit for your two-terabyte storage problem, and you upload your data to BigStash, I think that after a year, you will probably pay for our service. Our pricing is not . . . It's something that we try to tell our users. This is just for one year. After this year, you will have to pick one of the plans. Well, the pricing is low compared to others.

Mauricio: Sure. Well, now lately, we are seeing a huge development into unlimited cloud storage. Almost every two weeks, they are popping out a new service that offers unlimited cloud storage. Have you thought about incorporating an unlimited plan? Or is this not viable yet?

Panayotis: Well, I'm always skeptical when it comes to unlimited because . . .

Mauricio: Me too. Yeah.

Panayotis: Storage actually costs something. Usually when people say it's unlimited, they mean that you are limited by something else, like you can only upload files from a single computer, or you can upload with a speed that wouldn't even allow you to upload more than a couple terabytes or something like this.

So I think that it's fair for users to get a fair price and know that they will be charged for what they are actually using.

Mauricio: So you're not going to incorporate an unlimited plan in the future?

Panayotis: No, no. It's not in our plans.

Mauricio: Okay. So if you . . . Now it's time for your ultimate sales pitch in 30 seconds. So if you wanted to convince me, why would I choose BigStash instead of other services, such as Crash Plan, that allows unlimited backup of files? What would be the key differentiator? Why should I choose your service as a consumer? And why should I choose your service as a business?

Panayotis: Okay. First of all, our service is targeted to consumers and not so much to businesses. Then backup and syncing services will require storage on your own local storage too. The amount of data you upload to Crash Plan or DropBox or Google Drive will also reside on your local storage too.

We consider BigStash something like the attic, virtual attic, for the things that you don't want to have around because they take up valuable space, but you wouldn't like to throw away. Something that you can put them to BigStash and keep them there. They won't mess with your everyday workflow, but it will be there when you need it.

Mauricio: Okay. So just as some closing words, what is your take on the overall development of cloud storage and the cloud storage or the cloud industry in general? Where do you think we are heading in the next 1 year, 2 years, 5 years?

Panayotis: Well, there's this notion that prices are dropping to zero, which is not actually true. If you see the cost of raw cloud storage, it hasn't dropped that much. It is dropping, but it's not zero. If you go to buy raw storage from Amazon or Google or Microsoft Azure, you will see that it costs, and it's not going to zero.

We do see many services that are trying to actually charge for extra features and integrate the cost of actual storage in that, like collaboration features or synchronization or things like that, but I think that people will need more and more storage, raw storage, to archive things. I think that there's a big market there that no one is actually trying to reach.

Mauricio: Okay. Panayotis, thank you very much for the interview. I wish you all the best success for BigStash. We will, here at Cloudwards, we will certainly monitor your service closely and hope that you're going to be big in the next couple of months or years. So yeah, thank you very much for the interview. Have a great week.

Panayotis: Sure.

Mauricio: We'll be in touch.

Panayotis: Thank you very much Mauricio. I hope your listeners and viewers will understand that English is not my first language.

Mauricio: No worries. I'm sure. English is also not my first language. So no worries. I'm sure they understand.

Panayotis: Good. Thank you.