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Fast 50 Diary

Some companies saw record profits, others set the stage for growth

Premium content from Minneapolis / St. Paul Business Journal - by Jim Hammerand , Staff writer

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The new year brought record profits for some of the Fast 50 Diary companies, five of the fastest-growing private companies in the Twin Cities. However, others said they lost ground in 2010 as preliminary financial reports started trickling in.

Innovative Office Solutions

[Innovative Office Solutions](#) had its most profitable year yet in 2010, CEO **Jennifer Smith** said as the year-end financials were tallied this month.

Revenue grew to \$32 million in 2010, up 63 percent from \$19.6 million the previous year. About half of that increase came from a state contract that has small margins, but high volume, she said.

"Even though we took on a chunk of low-profit business, we were able to use our efficiencies and not add too many people to the equation," Smith said.

The company instead bulked up the year before, hiring sales staff and product specialists who were laid off by competitors in October 2009. Innovative was founded three months before the terrorist attacks of 2001 walloped the economy, and Smith said the company has operated in a countercyclical fashion ever since.

"We invested in the recession and it paid off," Smith said.

Sales of office products grew from \$16 million in 2009 to \$26 million in 2010. New and used sales in the furniture division grew from \$3.4 million in 2009 to \$6 million in 2010.

Innovative added eight full-time employees in 2010 to its roster of 51. Most recently, the company hired another delivery driver in late December and one in January, bringing the team of drivers to 10. Innovative also bought another delivery truck and is still in the market for fuel/electric hybrid trucks.

Critical Care Services Inc.

Critical Care Services Inc., which does business as Life Link III, also had a record year. Netting \$1.6 million in profit, the company set a new high and easily exceeded 2009's \$600,000 profit, CEO **Carter McComb** said.

"We did a great deal in terms of maintaining volume, and also put some cost-reducing measures in place to take some redundant costs out of the system. Both of those allowed us to have a very good year," he said.

Other financial figures were unavailable and the projected profit won't become final until February, but "sometime after that, I'm sure we'll pop a champagne bottle or two," he said.

In December, the company made 1,948 trips on the ground and flew 145 air missions, of which all but 21 were by helicopter.

McComb said the company will request bids from prospective helicopter vendors. The company is Denver-based Air Methods Corp.'s biggest customer, but Critical Care is seeking new proposals to "see what the competition has to offer," he said.

"It generally causes the current vendor to get his pencil a little sharper," McComb said.

[Amcom Software Inc.](#)

Amcom Software Inc. projected a 20 percent increase in bookings for 2010, CEO **Chris Heim** said.

The company did that — and then some — in what Heim called a “fantastic sales year” that ended with bookings growing by about 50 percent over 2009, according to preliminary tabulations.

Heim said sales were driven by the company’s new product, Amcom Mobile Connect, paired with federal health care reform legislation that calls for increased quality of care at a lower cost.

“That’s shifted the focus for many hospitals away from building the next new wing or buying the next piece of new equipment to IT investments that are going to make their people more efficient,” he said.

The company is still working on two acquisitions that could close in the first and second quarter. It’s also looking to bring more bodies on board, hiring to fill 15 positions.

“People have felt that we are a little short-handed,” Heim said. “If there’s one message employees sent to management, it’s ‘Get people in here to help,’ so we’re taking that pretty seriously.”

Black Design Inc.

Black Design Inc. had fewer sales, but more clients at the end of 2011, a trade-off that two of the agency’s top executives said was worthwhile.

The firm took in \$2.55 million in 2010, down almost 30 percent from the prior year, according to early estimates. However, the sales drop came as the agency tried to grow its client base by at least one-third.

“The addition of new clients made it a strong year,” CEO **Tina Wilcox** said.

Chief Financial Officer **Renae DeBates** said the goal was “pretty aggressive,” but the strategy seems to have panned out. More than half of the agency’s clients at the beginning of 2011 were new accounts, creating a more diverse and stable roster of customers.

“We did realize that setting this kind of goal would have an effect on our top line,” DeBates said. “We’re very pleased to report that we maintained our existing long-term clients.”

She noted that the company’s four-year growth rate stood at 41 percent, and that 2009 revenue of \$3.56 million was something of a fortunate fluke.

BERG Professional Staffing

Revenue was down, but so were costs at BERG Professional Staffing, President **Jeremy Berg** said.

The company ended the year with \$2.2 million in revenue, down about \$1 million from 2009. However, expenses also dropped by about \$1 million from 2009 to 2010 — the result of what Berg said was a “proactive approach” to cost cutting. The company consolidated vendors, trimmed small expenditures here and there and did more to hold individual employees accountable for certain spending.

“We just did a better job of planning for everything,” Berg said.

Revenue dropped in December to \$140,000 from \$190,000 in the prior-year period. Berg said the month offered more job opportunities, but clients are still reluctant to commit to staffing increases.

“Decisions are taking a lot longer to be made. They call us, there’s a need, but when it comes down to pulling the trigger, people aren’t moving forward as quickly,” he said.

Berg said he already feels like that is loosening up in the first weeks of 2011, and that two big clients in the mortgage and legal industries could keep the firm “very busy” with potential projects.

Fast 50 Diary Companies
BERG Professional Staffing (No. 7)
President: Jeremy Berg
2009 Revenue: \$2.83 million
(up \$214,875 from 2008)
Web: bergstaffing.com

Amcom Software Inc. (No. 13)
CEO: Chris Heim
2009 Revenue: \$46.1 million

(up \$12.43 million from 2008)
Web: amcomsoftware.com

Black Design Inc. (No. 16)
CEO: Tina Wilcox
2009 Revenue: \$3.56 million
(up \$1.7 million from 2008)
Web: blackretail.us

Critical Care Services Inc. (No. 30)
CEO: Carter McComb
2009 Revenue: \$28.63 million
(up \$5.76 million from 2008)
Web: lifelinkiii.com

Innovative Office Solutions (No. 38)
CEO: Jennifer Smith
2009 Revenue: \$19.9 million
(up \$3.66 million from 2008)
Web: innovativeos.com

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