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Armon Mills
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San Diego Business Journal

LETTER FROM THE PUBLISHER

Celebrating Success in San Diego

Welcome to the *San Diego Business Journal's* special publication revealing The List of companies that have secured a place on the 2005 List of 100 Fastest-Growing Privately Held Companies. In addition to The List, included in this publication are in-depth profiles of the top 10 companies featured on our List.

These 100 companies generated \$13.16 billion in revenues in 2004, employed more than 15,400 workers and the No. 1 firm grew a remarkable 1,772 percent from 2002-2004. These firms range in size from Logo Expressions (No. 36), Protogate Inc. (No. 79) and Caseman Inc. (No. 69) with six full-time staffers each, to Science Applications International Corp. (No. 61), which reports 4,784 employees.

While a large portion of the companies ranked on this year's List represent high-technology firms or companies in and around the real estate industry, such as construction firms or residential mortgage brokerages, the List overall is indicative of the diversity of the San Diego economy and boasts a cross section of firms in various industries and services.

The top executives of these firms were honored at a reception on Sept. 21 at the Westgate Hotel. For the second year in a row, the Business Journal received tremendous response and was proud to host these Top 100 companies at the reception. We look forward to this event becoming a long-standing tradition for our paper and our community — honoring these outstanding 100 firms and celebrating the entrepreneurial spirit of our region.

It takes great diligence, detail and patience to gather, then siphon through the vast amounts of information collected for this List. Our research department's dedication to accuracy and commitment to fairness is unequalled. Stacey Bengtson, senior researcher, and Andy Killion, researcher, deserve our special thanks.

Thanks also to Managing Editor Rick Bell and the entire editorial staff for writing and editing the profiles throughout the publication. We are also indebted to our production staff, Production Director Jim Hotchkiss and designers Marta Klass and Craig Klas for the design and artwork, both in this publication and for our event. Also, thanks to Taylor Peterson, our special supplements and events coordinator and to our entire sales staff who were instrumental in the success of this project.

Finally, a special thank you to our sponsors: our co-presenter Robert Half International; and our co-sponsors Barney & Barney, Comerica Bank, Cox Communications, Eset, FedEx, Grubb & Ellis/BRE Commercial, Kaiser Permanente, Luce Forward, RSM McGladrey, San Diego County Regional Economic Development Corp., Staples, TEC, the Welsh Development Agency and the Westgate Hotel.

Congratulations to each of the companies for making our List of the 100 Fastest-Growing Privately Held Companies. Achieving a spot on this List is impressive for any company. May their outstanding success continue to grow in the future.

ABOUT THE RESEARCH

Ranking San Diego's Most Robust Firms

Researching a List of the fastest-growing companies in a diverse economy such as San Diego's is a daunting task.

With an economy still shaking off the effects of a massive state deficit, a worldwide tech wreck and, closer to home, the devastating wildfires of two years ago, many San Diego entrepreneurs have successfully navigated some seriously choppy waters.

We found plenty of companies — more than 100 to be exact — that were able to meet our stringent benchmarks for growth and documentation.

We launched our research early this summer and received responses from a substantial number of well-qualified, successful companies.

To qualify for consideration, companies must be based in the *San Diego Business Journal's* coverage area. From the U.S.-Mexico border north to the Riverside County line, from the beach communities of La Jolla and Del Mar to the foothills of East County, companies offered up vital information to qualify for The List.

The companies that qualified are independent, privately held corporations, or proprietorships (not a subsidiary or division) through fiscal 2004.

The companies must have at least \$200,000 in net revenue in fiscal 2002 and show an increase in 2004.

The firms that cleared those stringent hurdles must then pass the most difficult part of our application process — our financial verification procedure.

All companies applying for listing must submit documentation from their independent accounting firms, confirming the net revenues they reported. Then our research staff, which consists of senior researcher Stacey Bengtson — who handled the bulk of the project — and researcher Andrew Killion, spent countless hours checking these documents for authenticity and accuracy.

The List, of course, ranks companies based on percentage increase in revenue between fiscal 2002 and 2004. Compiling 100 such companies was a major undertaking for the research and editorial departments, which also compiled profiles of the top 10 firms. If you see that your company meets these guidelines and qualifies for our List, please contact us so we can survey you for next year's List.

It is a project that required intense scrutiny and attention to detail, and it is a List that San Diego as a whole should take pride in — a snapshot of this business community's entrepreneurial spirit.

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Rick Bell
Managing Editor
San Diego Business Journal

By the NUMBERS

Some stats on the 2005 honorees

Total revenue generated by the Top 100 firms:
\$13.16 billion

Total people employed by the Top 100 firms:
15,422

Average growth rate among the listed companies:
127%

Average 2004 revenue of listed companies:
\$131.58 million

Industries most frequently seen on The List:
High-Tech

Top revenue-maker:
No. 61 SAIC, with \$7.18 billion

Largest employer:
No. 61 SAIC, employing 4,784

SAN DIEGO'S
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2005

Knowing Their A, B-to-B, C's

Businesses Find Doing Business With Businesses Is Good Business in San Diego

BY KATIE WEEKS

Businesses that serve other businesses dominated the *San Diego Business Journal's* 2005 List of Fastest-Growing Private Companies for the third year in a row.

While there are 100 companies on the annual list, only two of the top 25 have a significant consumer client base. As it turns out, one of them is No. 1 on The List.

Companies are ranked on highest revenue growth from 2002 to 2004. Top ranking **Client Shop, Inc.**, a free service for consumers to compare quotes from service professionals, had revenue growth of 1,772 percent. Its revenue grew from \$289,529 in 2002 to \$5.4 million in 2004, surpassing all other companies on The List. The other consumer-based company, **Equity Plus, Inc.**, placed No. 9, with 326 percent growth, topping out with \$18.5 million in revenues in 2004. Equity is a residential mortgage banking company.

Fewer than 10 of the 100 businesses this year are consumer-based. Most of those, however, placed in the top 50.

Companies making the Business Journal's annual list ranged from beer maker **Stone Brewing Co.**, which came in at No. 32 with 82 percent growth from 2002 to 2004, to **Take a Break Service**, a food and beverage vendor, which finished No. 88 with 32 percent growth.

Yet, many of the top companies have some sort of high-tech component incorporated into their business strategy. Among the top 10 are a technical consulting firm, two companies that sell technology to the military, one that sells "Techie Toyz," an online advertising agency and a software company.

Not A Dot-Com World

At the same time, the high number of fast-growing businesses that serve other businesses seems to indicate a dot-com antithesis, said Nikhil Varaiya, the chairman of the Department of Finance at San Diego State University.

"All those (dot-coms) were consumer-based," Varaiya said. "There may be a perception that there's more likelihood of revenue and growth and earnings from the business-to-business sector. Investors might view it more favorably because they think it's a more challenging environment."

Local chief executive officers whose companies ranked on The List credit their employees and customers when asked how they reached success. Most said the willingness to adjust business procedures as circumstances change has helped them significantly

in their ability to face challenges to their growth

The CEO of the second highest ranking company on The List, **Kineticom, Inc.**, has proven flexible in allowing the staffing company to add a technical consulting component as its clients' needs grew and changed.

That company grew 1,281 percent from 2002 to 2004, with revenues jumping from \$3.77 million to \$52.15 million.

Varaiya said companies growing so rapidly must be sure to take time to evaluate.

"They face execution challenges," the finance professor warned. "Is the management there to manage the growth? You have to obtain the right mix of people. Responsible spending is also important for these companies."

More Than Revenues

He cautioned that looking at revenues alone can be misleading.

"You can't just have revenues," he said. "You have to have earnings. I know everybody looks at fast growth, but in the long run, revenue has to cover operating costs."

For **Epicenter Advertising**, which made The List at No. 24 with revenue growth of 102 percent, profitability was a reality in its first year.

The full-service ad agency and digital marketing firm exceeded its financial goals in the past year, said Jeffrey Detrick, the company's principal and creative director.

"We went into this year thinking it would be the same as last year," Detrick said. "But the stuff we've done has been successful, and our clients were willing to put more money into marketing."

Detrick said the company added more long-term accounts, and he expects revenues to level off as high as \$5 million in the coming years.

"Most companies, if they don't have (venture capital) funds, they can only grow as fast as their revenues," Detrick said.

But only one of the top 25 companies on the fastest-growing List disclosed using any funds from venture capitalists. Many were self-funded; others borrowed money or had private investors.

Regardless, Varaiya said a three-year look at revenue growth is only so telling.

"It might not be long enough," Varaiya said. "A lot of the dot-com companies had high revenue growth but no earnings. You have to have top line growth and bottom line growth."

'I have a clear understanding of my strengths and weaknesses, and I recruit people who can help my weaknesses.'

Jon Carder

CEO, Client Shop, Inc.

There Are 1 Million Reasons Client Shop's on Top

Business Journal's No. 1 Company Now
Looking Toward 2 Million Customers



Melissa Jacobs

Jon Carder, the chief executive officer of Client Shop, Inc., founded the company in 2002. Since then, the firm has increased its revenue by 1,772 percent.

No. 1

Client Shop, Inc.

CEO:

Jon Carder

Location:

12670 High Bluff Drive, No. 210, San Diego
92130

2004 revenues:

\$5.41 million

2002-04 growth: 1,772 percent

No. of local full-time

employees: 60

Web site:

Clientshop.com, QuoteMe.com, 4LowRates.com

CEO's secret to success:

"I have a scalable business model with passionate, intelligent people working in a culture with open and honest communication. I drive continuous, agile redeployment of resources against our top priorities."

BY STACEY BENGTON

Client Shop Inc.'s founder and Chief Executive Officer Jon Carder never envisioned the business he started at the age of 23 from the comfort of his own home and with the \$2,500 in his pocket would have such fast-paced growth in such a short amount of time.

Even with his entrepreneurial spirit — Carder started his first business, a company that sold baby products on the Internet, when he was 19 — Carder also never dreamed of helping his 1 millionth customer after being in business for just three years.

That entrepreneurial spirit is stronger than ever in Carder, now 27 years old, who founded Client Shop when a mortgage broker friend wanted help getting customer leads.

After several months of juggling his Internet business Baby's Heaven and helping his friend, he decided to sell the baby products company to focus all his attention generating leads online as Client Shop.

Client Shop, which finished in the top spot on the *San Diego Business Journal's* List of Fastest-Growing Private Companies, does business out of its San Diego office as QuoteMe.com.

The 60-person company, which recorded an astounding 1,772 percent growth since the inception of the company in 2002, provides consumers with a way to compare and acquire quotes from various qualified service professionals for free online at 4LowRates.com or QuoteMe.com. The company also has a call center for those who are unfamiliar or uncomfortable with finding quotes on the Internet.

The flip side of the business is that any qualified service professional can sign up through Clientshop.com to receive consumer leads. This service adds their company to the database where it is matched with the appropriate customer who is seeking a quote. That particular company is then charged by a cost per-lead basis.

"We generate leads for businesses. We provide a great service for providers and a free, convenient way for consumers to compare multiple quotes relating to their specific needs," Carder said.

Client Shop primarily serves customers in the mortgage, debt relief and real estate industries, but not for long. As revenues grow, so will the services, Carder said.

In the next three to four months, the

business wants to spread its wings into more territories.

"We plan on expanding anywhere from four to six more consumer services next year alone," Carder said.

He said they're tossing around ideas such as landscapers, garage door repair businesses or Web designers. Essentially the company is brainstorming to add any service a person may need in life.

Client shop grew from \$289,529 in revenue the first year of business to \$5.4 million in 2004, making it the No. 1 company on the San Diego Business Journal's List of Fastest-Growing Private Companies in San Diego County.

Client Shop became a multimillion-dollar company just in its third year of business and grew from one employee — Carder — to its current roster of 60 full-time employees. Carder anticipates having 300 employees within the next 18 months.

With such explosive growth came the inevitable problem of where to put all those workers. In short, it was crowded in his office.

"We had to move; we needed more room. We were packed like sardines," Carder said.

Please turn to CLIENT SHOP on Page 35



Max Dolberg

Kineticom senior management (from left), Senior Vice President of Operations Neal Bhamre, CEO Simon Billsberry, and CFO Mick Barber.

No. 2 Kineticom Inc.

CEO: Simon Billsberry

No. of local full-time employees: 50

Location: 701 B St., No. 1775,
San Diego 92101

Web site: www.kineticom.com

2004 revenues: \$52.1 million

CEO's secret to success: "We define our market as ICT, which stands for information, communications and technology, and we're seeing contracts from businesses in all those markets."

2002-04 growth: 1,281 percent

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Kineticom Finds a Way to Put Technical Talent to Work

Pipeline to New Business Grows Through Firm's Venture Capital Connections

BY MIKE ALLEN

At a time when the telecom industry was in the midst of a global downturn, Simon Billsberry launched a business in 2000 that provides contract employees to some of the world's largest carriers.

Bad timing? Hardly, says Billsberry, the chief executive for **Kineticom Inc.**

Five years later, the business still serves as conduit for top technical talent for communications companies on a project basis, but has also evolved into a technical consulting firm helping companies solve a variety of problems.

"We're not a staffing company anymore," said Billsberry, a Brit who talks nearly as fast as his firm's sales have grown. "We consider ourselves a technical talent firm."

Billsberry says the distinction pertains to the scope of the expertise

his firm offers. In the past, just lining up experienced, technical workers for temporary projects was the focus. Today, the company is often hired to handle another company's human resource or its finance functions on a temporary basis, he said.

In recent years, investment dollars that virtually dried up for anything involving telecom is flowing once again, with firms such as Kineticom benefiting from the spending.

"We define our market as ICT, which stands for information, communications and technology, and we're seeing contracts from businesses in all those markets," Billsberry said. "A big thing that's been happening lately is the convergence of cell phones and computers, and we're seeing positive growth from that."

Kineticom's revenues exploded from

Please turn to KINETICOM on Page 26



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No. 3 Advanced Planning Services

CEO: Mike Rodman

No. of local full-time employees: 27

Location: 1500 State St., Suite 220,
San Diego 92101

Web site: www.apshome.com

2004 revenues: \$7 million

CEO's secret to success:

"Our employees and the teamwork we have built together is the key factor that has made APS a success."

2002-04 growth: 799 percent

FR

The corporate group of Fish & Richardson joins the rest of the firm in congratulating the Fast 100 award winners.

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Rapid Expansion Means New Offices Expected to Open in Chicago, Miami And Houston



Max Dolberg

Mike Rodman is the chief executive officer of Advanced Planning Services in San Diego.

BY ANDREA SIEDSMA

Most successful people may be good at building businesses, but many of them don't have a clue about how to protect what they have built for their family. So says Mike Rodman, founder and chief executive officer of **Advanced Planning Services**, a San Diego-based financial advisory consultancy.

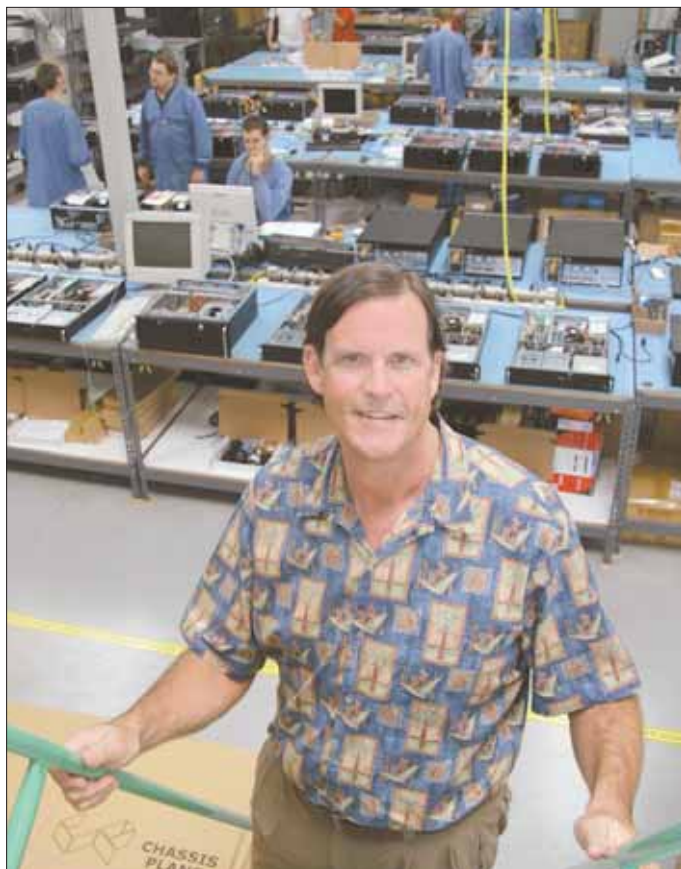
"There are a tremendous amount of high net worth business owners and professionals who have not adequately managed their estate or their retirements. They are very busy at being successful, and frankly, their financial advisers don't necessarily have the time

to solve all their problems," Rodman said. "There is a tremendous need to protect and preserve the wealth that has been created."

A couple of years ago, Rodman launched APS to assist financial planners, investment advisers, insurance brokers, attorneys and accountants in providing comprehensive financial services to their high-end clients. APS creates proprietary planning techniques for services such as accumulation planning, estate planning and life insurance planning.

For example, APS provides a written report to its financial advisers that includes not only financial figures

Please turn to *ADVANCED* on Page 33



Mark Lovett, the president and CEO of Chassis Plans, credits his company's success to the knowledge and skill of his co-workers.

Melissa Jacobs

Chassis Plans Builds New Foundation on Its Past Success

Dramatic Growth Contrasts the Current Slow-Growing Industrial Computer Industry

No. 4 Chassis Plans

CEO: Mark Lovett

Location: 8295 Aero Place, Suite 200, San Diego 92123

2004 revenues: \$6.43 million

2002-04 growth: 593 percent

No. of local full-time employees: 22

Web site: www.chassisplans.com

CEO's secret to success:

"Building a team of extremely talented individuals that share a common passion and vision for creating a successful company, and that's the reason for Chassis Plans' rapid growth over the past three years — incredible teamwork."

BY ANDY KILLION

Mark Lovett, the president and chief executive officer of Chassis Plans, likes to know the people he works with.

Lovett said he has previously worked with many of the 25 Chassis Plans employees at other companies.

"Fifty percent of the people I work with, I've worked with before," said Lovett.

"You always feel blessed when you grow this fast but most of us have been here before."

As Lovett tells it, the story of Chassis Plans, which ranked fourth among the *San Diego Business Journal's* List of Fastest Growing Private Companies, is really the story of two companies: Chassis Plans and Industrial Computer Source.

Chassis Plans was founded in 1997

Please turn to CHASSIS PLANS on Page 35

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- Patrick Rogers
COO-Partner



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(Left to right): Paul Saber, CEO-Partner, and Patrick Rogers COO-Partner, Panera Bread/Manna Development Group; Rolf Benirschke, Customer Ambassador, and Steve De Long, Vice President/Metropolitan Banking, California Bank & Trust.

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Michael Dendo, Mad Dog Multimedia's president and chief executive officer, says listening to the firm's customers and staying flexible have helped the company's revenues soar.

Melissa Jacobs

Company's Astounding Growth Is Anything But Maddening for CEO

Mad Dog Multimedia Offers 'Uncompromising Excellence'

No. 5

Mad Dog Multimedia, Inc.

CEO: Michael Dendo

Location: 12520 High Bluff Drive, No. 190, San Diego 92130

2004 revenues: \$46.28 million

2002-04 growth: 503 percent

No. of local full-time employees: 7

Web site: www.mdm.com

CEO's secret to success: "We never take anything for granted. We listen to the needs of our customers. We're always looking to improve on our cost structure and increase efficiency. We're very flexible. We move quickly."

BY BRAD SONDAK

Take one look at the leader of Mad Dog Multimedia, Inc. and you'd probably never guess that his company was named for his personality.

But Michael Dendo, the firm's mild-mannered-looking, well-dressed president and chief executive officer, insists that there's plenty of fight in him.

"My mentality is that it's never quite good enough," said Dendo, who describes himself as unyielding with a lack of tolerance for failure.

"I'm always thinking about the company. I take my responsibilities very seriously and our employees do too," he added.

Dendo's obsession with making his firm the best it can be has helped Mad Dog, a technology company that designs and markets computer peripheral products, become one of San Diego County's fastest-growing private companies.

Founded in 2002, Mad Dog has boosted

Please turn to MAD DOG on Page 12

We would like to thank all our employees for their continued hard work and success in growing **G.S. Levine Insurance Services** into one of the Top 100 Fastest Growing Private Companies in 2005. We also extend congratulations to the other 99 honorees at this year's Fast 100 Event. Together we make San Diego County a great place to work, live and play.

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FASTEST-GROWING PRIVATE COMPANIES

Ranked by percent of verified revenue growth from 2002 to 2004

Rank	Company Address Web site	Telephone Fax Toll-free number	Percentage growth in revenue from 2002 - 2004	Revenues: • 2004 • 2003 • 2002 \$ Millions	Local full-time employees: • 2005 • 2004 • 2003	Startup capital: • Amount • Source	Business description*	• CEO • CFO	Year established locally
1	Client Shop, Inc. 12670 High Bluff Drive, #210, San Diego 92130 www.quoteme.com	(858) 764-6501 (619) 330-4545 (800) 238-4494	1,772%	\$5.41 \$930 \$289	60 12 4	\$2,500 Self-funded	A free service for consumers to compare quotes from qualified service professionals	Jon Carder Frank Asaro	2002
2	Kineticom Inc. 701 B St., #1775, San Diego 92101 www.kineticom.com	(619) 330-3100 (619) 330-3109	1,281%	\$52.15 \$10.95 \$3.77	50 19 6	\$600,000 Private investors, bank loan	Technical staffing services, contract staffing, executive search services	Simon Billsberry Mick Barber	2000
3	Advanced Planning Services Inc. 1500 State St., #220, San Diego 92101 www.apshome.com	(619) 220-8116 (619) 220-0836 (800) 551-8116	799%	\$6.95 \$2.47 \$7.74	27 23 14	\$500,000 Self-funded	Sales insurance brokerage agency positioned to be a partner in assisting in case design, underwriting, advanced sales	Michael Rodman Michael Rodman	1999
4	Chassis Plans 8295 Aero Place, #200, San Diego 92123 www.chassisplans.com	(858) 571-4330 (858) 571-6146	593%	\$6.43 \$2.27 \$9.29	22 11 5	wnd Private investors	Designs, integrates and sells industrial computers for security and defense industries	Mark Lovett Kathleen Winer	2001
5	Mad Dog Multimedia, Inc. 12520 High Bluff Drive, #190, San Diego 92130 www.mdmm.com	(858) 755-9750 (858) 755-1298	503%	\$46.28 \$35.19 \$7.67	7 7 6	na Commercial bank loan	Provides peripheral products targeted for multimedia entertainment	Michael Dendo Adam Colton	2002
6	Tapestry Solutions Inc. 5643 Copley Drive, San Diego 92111 www.tapestrysolutions.com	(858) 503-1990 (619) 639-8653 (888) 313-2060	425%	\$22.51 \$11.34 \$4.29	72 40 24	\$43,179 Self-funded	Custom software development and support for U.S. military	Galen Aswegan Mark Young	1992
7	Xnergy 2237 Faraday Ave., #100, Carlsbad 92008 www.xnergy.net	(760) 438-7676 (760) 438-7679 (800) 496-3749	395%	\$13.87 \$6.13 \$2.8	75 60 50	\$500,000 Self-funded	General contracting and engineering firm specializing in biotech, medical device, semi-conductor industries	Jeff Gosselein Jason Davis	2001
8	Geary Interactive LLC 450 B St., #950, San Diego 92101 www.gearyi.com	(619) 239-5953 (619) 234-8668	375%	\$7.7 \$3.14 \$1.62	28 10 7	na Self-funded	Online advertising agency	Andreas Roell Dennis Zocco	2000
9	Equity Plus Inc. 5333 Mission Center Road, #200, San Diego 92108 www.myequityaccess.com	(619) 260-3596 (619) 757-1496 (800) 716-4506	326%	\$18.5 \$14.76 \$4.34	95 81 40	\$25,000 Self-funded	Residential mortgage banking	Thomas Krug Thomas Krug	1999
10	Supreme Oil Co. 7525 Metropolitan Drive, #306, San Diego 92108 www.supremeoil.com	(619) 542-5020 (619) 542-0306	274%	\$250.09 \$110.35 \$66.94	32 28 19	wnd Private investors	Petroleum products distributor	M. Garth Davis Kathleen Sanko	1992
11	SkinMedica, Inc. 5909 Sea Lion Place, Suite H, Carlsbad 92010 www.skinmedica.com	(760) 448-3600 (760) 448-3611 (877) 944-1412	225%	\$22.05 \$13.12 \$6.77	56 44 34	\$92,000,000 ² Venture capital	Specialty pharmaceuticals focused on products that treat dermatologic conditions and diseases	Rex Bright Thomas Insley	1999
12	One Stop Systems, Inc. 2235 Enterprise St., #110, Escondido 92029 www.onestopsystems.com	(760) 745-9883 (760) 745-9824 (877) 438-2724	217%	\$6.59 \$3.65 \$2.08	32 21 14	\$1,000,000 Private investor	Design and manufacture industrial computers	Steve Cooper Steve Cooper	1998
13	Sullivan International Group, Inc. 409 Camino del Rio S., #100, San Diego 92108 www.onesullivan.com	(619) 260-1432 (619) 398-2912 (888) 744-1432	192%	\$15.81 \$16.19 \$5.41	46 46 38	wnd Self-funded	Provides engineering, technology and logistic services	Steven Sullivan William Ulmer	1998
14	MTC Services Corp. 344 F St., #202, Chula Vista 91910 www.mtsc.com	(619) 585-2100 (619) 585-2101	157%	\$22.69 \$18.26 \$8.83	25 19 16	\$50,000 Commercial bank loan	Department of Defense contractor that provides engineering services primarily to Navy and Marine customers	David Camarata Marguerite Camarata	1997
15	Innovative Body Science 2724 Loker Ave. W., Carlsbad 92008 www.innovativebodyscience.com	(760) 603-0772 (760) 603-0691 (888) 700-7727	157%	\$4.19 \$1.7 \$1.63	16 18 17	na na	Manufacturer of spa products	Michelle Bartok na	1982
16	Luce et Studio Architects, Inc. 5070-A Santa Fe St., San Diego 92109 www.lucestudio.com	(858) 574-0223 (858) 274-0226	156%	\$2.3 \$2 \$.9	8 12 11	na na	Architect design	Jennifer Luce na	1990
17	Barnhart, Inc. 10760 Thornmint Road, San Diego 92127 www.debinc.com	(858) 385-8200 (858) 385-8201	142%	\$449.98 \$259.4 \$186.2	285 388 320	wnd Self-funded	General building, engineering, construction and program management of educational, civic and government facilities	Douglas Barnhart na	1983
18	Prosanos Corp. 7590 Fay Ave., #204, La Jolla 92037 www.prosanos.com	(858) 456-5223 (858) 456-5001	128%	\$3.29 \$2.56 \$1.44	9 14 7	\$1,500,000 Private investors	Specialists in the capture, integration and analysis of health care-related data	Jonathan Morris NA	2001
19	MG Properties 10505 Sorrento Valley Road, #300, San Diego 92121 www.mgproperties.com	(858) 658-0500 (858) 526-0800	122%	\$6.38 \$3.81 \$2.87	94 124 136	wnd Private capital	Syndications and management of apartment communities	Mark Gleiberman Jeffrey Piper	1989
20	Z57, Inc. 8445 Camino Santa Fe, #215, San Diego 92121 www.Z57.com	(858) 899-8148 (858) 869-9944 (800) 899-8148	120%	\$10.06 \$7.25 \$4.58	185 130 133	\$100,000 Lease financing	Real estate Internet marketing specializing in campaign management, Web sites, direct marketing and e-mail marketing	Steve Weber Ryan Whitlock	1998
21	XL Staffing, Inc. 700 N. Johnson Ave., Suite C, El Cajon 92020 www.xlstaffing.com	(619) 276-8677 (619) 276-6729	112%	\$3.78 \$2.06 \$1.78	12 8 6	wnd wnd	Placement of temporary employees in hospitality, light industrial and general labor	Joe Mackey NA	1996
22	Indus Technology Inc. 2243 San Diego Ave., #200, San Diego 92110 www.industechnology.com	(619) 299-2555 (619) 299-2444	105%	\$13.3 \$9.25 \$6.5	118 90 80	wnd wnd	Provides systems engineering and program management services for government and industry clients	James Lasswell James Lasswell	1991
23	Rightlook.com, Inc. 7616 Miramar Road, #5300, San Diego 92126 www.rightlook.com	(858) 271-4271 (858) 271-4303 (800) 883-3446	105%	\$2.73 \$2.01 \$1.33	20 15 9	\$5,000 Self-funded	Provides equipment, supplies and training for auto detailing and cosmetic repair	Stephen Powers NA	1998
24	Epicenter Advertising 6540 Lusk Blvd., Suite C263, San Diego 92121 www.epicenteradvertising.com	(858) 909-0855 (858) 909-0815 (800) 604-0047	102%	\$3.39 \$2.73 \$1.68	12 9 4	\$45,000 Self-funded	Full-service advertising agency and digital marketing firm	Jeffrey Detrick Jeffrey Detrick	2002
25	Traffic Tech Inc. 4275 Executive Square, #250, La Jolla 92037 www.traffictch.com	(858) 200-8600	95%	\$18.1 \$13.5 \$9.3	16 11 24	na Commercial bank loan	Freight brokers	Dan Holzer NA	1997

In case of a tie, companies are ranked by 2004 revenue.
 *This is a partial listing.
 wnd Would not disclose
 na Not available
 NA Not applicable
 (NR) Not ranked
¹ Doing business as QuoteMe.com.
² Total amount in five rounds of financing.
³ Chief operating officers.

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Researched by Stacey Bengtson

Continued on Page 16

Continued from Page 15

FASTEST-GROWING PRIVATE COMPANIES

Ranked by percent of verified revenue growth from 2002 to 2004

Rank	Company Address Web site	Telephone Fax Toll-free number	Percentage growth in revenue from 2002 - 2004	Revenues: • 2004 • 2003 • 2002 \$ Millions	Local full-time employees: • 2005 • 2004 • 2003	Startup capital: • Amount • Source	Business description*	• CEO • CFO	Year established locally
26	Peartrees Catering, Inc. 2243 Verus St., San Diego 92154 www.peartreescatering.com	(619) 575-5500 (619) 575-5502	94%	\$2.13 \$1.38 \$1.09	12 11 10	\$105,000 Self-funded	Catering for corporate, weddings, social and theme events	Jerrold Siegel Luanne Siegel	1990
27	CSB-System International Inc. 2535 Camino del Rio S., #350, San Diego 92108 www.csb-system.com	(619) 640-0436 (619) 640-0476 (800) 852-9977	93%	\$1.25 \$1.17 \$.649	10 8 6	\$64,804 Corporate funding	Provides fully integrated supply chain of software, including batch-process specific applications	Patrick Pilz Heike Pilz	1977
28	Hangers Cleaners 2169 Fenton Parkway, #104, San Diego 92108 www.hangersandiego.com	(619) 563-8200	93%	\$.916 \$.689 \$.474	17 17 16	\$546,576 Private investor, finance leasing	All-natural liquid carbon dioxide dry cleaning	Alexander Shaw NA	1983
29	Streamload, Inc. 525 B St., #1000, San Diego 92101 www.streamload.com	(619) 233-9914 (619) 374-7469	92%	\$2.38 \$1.86 \$1.24	16 9 6	\$1,700,000 Venture capital, self-funded	Internet service that allows digital users to easily and securely send, store, move, receive and access their digital files	Steve Iverson Greg Bohdan	1998
30	Evans Tire & Service Center 510 N. Broadway, Escondido 92025 www.evansstire.com	(760) 746-0594 (760) 480-1089 (800) 808-4737	89%	\$19.04 \$17.09 \$10.1	125 120 110	\$500,000 Commercial bank loan	Retail tire sales and auto service	John Andonian na	1986
31	The Corky McMillin Cos. 2750 Womble Road, San Diego 92186 www.mcmillin.com	(619) 477-4117 (619) 794-1577 (800) 781-0401	87%	\$746.9 \$548.1 \$399.6	638 552 466	na na	Residential and commercial real estate development, homebuilding, real estate sales and financing	Corky McMillin Gary Beason	1960
32	Stone Brewing Co. 155 Mata Way, #104, San Marcos 92069 www.stonebrew.com	(760) 471-4999 (760) 471-7690	82%	\$10.93 \$8.37 \$6.02	74 58 47	\$500,000 Private financing	Brewer of various beer styles	Greg Koch Steve Wagner	1996
33	CHMB 1121 E. Washington Ave., Escondido 92025 www.chmbolutions.com	(760) 520-1320 (760) 520-1350	80%	\$4.79 \$4.05 \$2.66	100 90 85	na Self-funded	Provides billing solutions to the health care industry	Bob Svendsen NA	1995
34	GMI Building Service, Inc. 8001 Vickers St., San Diego 92111 www.gmiweb.com	(858) 244-1850 (858) 279-2721 (866) 803-4464	76%	\$17.45 \$11.75 \$9.89	617 523 436	wnd na	Provides integrated commercial cleaning and security service solutions	Larry Abrams Barry Williamson	1968
35	Advanced Electronic Solutions 1830 John Towers Ave., El Cajon 92020 www.aes2.net	(619) 579-2898 (619) 579-1740	76%	\$11.66 \$9.25 \$6.62	102 107 98	\$500 Self-funded	Provides gate entry systems, home theater, home network, surround sound speakers, security, lighting	Sean McDermott Tom Wardell	1986
36	Logo Expressions Inc. 1090 Joshua Way, Suite A, Vista 92081 www.logoexpressions.com	(760) 598-9011 (760) 598-4911 (877) 603-5646	75%	\$1.82 \$1.46 \$1.04	6 6 4	\$75,000 Venture capital	Promotional products	Sandra Moffitt Sandra Moffitt	1999
37	Oxford Print Management 8725 Production Ave., San Diego 92121 www.ioxford.com	(858) 564-0888 (858) 564-0345	71%	\$1.88 \$1.31 \$1.1	7 6 6	wnd wnd	Full-service printing and promotional product supplier	David Stone na	2001
38	Discovery Isle Child Development Center, Inc. 1655 S. Rancho Santa Fe Road, #107, San Marcos 92078 www.discoveryisle.com	(760) 752-7590 (760) 752-7595	70%	\$8.33 \$6.86 \$4.91	176 165 154	\$200,000 Self-funded	Academically based preschool and child care; ages 6 weeks through first grade	Cindy Bornemann Cindy Bornemann	1992
39	Helix Environmental Planning, Inc. 8100 La Mesa Blvd., #150, La Mesa 91941 www.helixepi.com	(619) 462-1515 (619) 462-0552	69%	\$8.95 \$6.24 \$5.29	70 74 54	wnd wnd	Environmental consulting firm	David Claycomb Kristin L. Olszak	1991
40	Gafcon, Inc. 701 B St., #1600, San Diego 92101 www.gafcon.com	(619) 231-6100 (619) 231-7099 (800) 731-6110	64%	\$12.73 \$10.5 \$7.76	72 62 58	\$40,000 Commercial bank loan	Construction management and other services related to the building industry	Pamela Gaffen na	1987
41	American Mortgage Express Financial 10251 Vista Sorrento Parkway, #300, San Diego 92121 www.amefinancial.com	(858) 332-0800 (858) 882-6650 (800) 700-0263	63%	\$50.65 \$53.11 \$31.04	149 167 138	\$10,000 Self-funded	Full-service mortgage lender that offers loan products ranging from A paper to sub-prime	Spencer Richardson Anna Giacconi	1984
42	La Mesa RV Center Inc. 7430 Copley Park Place, San Diego 92111 www.lamesarv.com	(858) 874-8000 (858) 874-8017	60%	\$679.88 \$496.59 \$424.09	182 190 140	na na	Recreational vehicle sales and service	James Kimbrell Timothy O'Connor	1972
43	Michael Crews Development II P.O. Box 300429, Escondido 92030 www.michaelcrews.com	(760) 749-1919 (760) 743-3698	60%	\$54.46 \$43.3 \$34.08	102 111 132	wnd Self-funded	Real estate development	Michael Crews na	1980
44	Aplus.Net 10350 Barnes Canyon, San Diego 92121 www.aplus.net	(858) 410-6989 (858) 410-6927 (877) 275-8763	60%	\$18.72 \$12.64 \$11.67	156 144 92	\$10,000 Self-funded	Web hosting and design, domain registration	Ivan Vachovsky Lilian Vachovsky	1992
45	Excel Security, Inc. 700 N. Johnson Ave., Suite C, El Cajon 92020 www.xlstaffing.com	(619) 275-5828 (619) 276-6729	60%	\$1.31 \$1.55 \$.822	40 38 20	wnd wnd	Security guard and patrol company	Joe Mackey NA	2000
46	Pacific Building Group 5754 Pacific Center Blvd., #203, San Diego 92121 www.pacificbuildinggroup.com	(858) 552-0600 (858) 552-0604	59%	\$57.13 \$40.26 \$35.87	150 150 150	na Self-funded	General contractor and subcontractor specializing in medical facilities, office buildings and tenant improvements	Greg Rogers & Jim Roherty, Nancy Walker	1985
47	Interior Specialists, Inc. 1630 Faraday Ave., Carlsbad 92069 www.interiorspecialists.com	(760) 929-6700 (760) 438-9663 (800) 959-8333	58%	\$132.24 \$105.44 \$83.71	205 162 138	wnd wnd	Provides outsourced interior design and installation services for homebuilders	Ken Treaster Jim Whitney	1983
48	CUSO Financial Services, L.P. P.O. Box 85744, San Diego 92186 www.cusonet.com	(858) 530-4400 (858) 530-1929	57%	\$57.37 \$47.18 \$36.49	57 49 44	wnd Credit union investors	Securities broker/dealer for credit unions and their members	Valorie Seyfert Loraine Wiser	1996
49	Luth Research Inc. 1365 Fourth Ave., San Diego 92101 www.luthresearch.com	(619) 234-5884 (619) 243-1025	57%	\$10.71 \$9.56 \$6.8	179 179 204	na na	Market research service; focus and qualitative, mail intercepts, phone and Internet research	Roseanne Luth na	1977
50	Lyon 1010 S. Coast Highway, #101, Encinitas 92024 www.lyonassoc.com	(760) 634-1886 (760) 634-0896	57%	\$2.5 \$1.4 \$1.6	9 7 4	na na	Advertising agency	Susan Lyon na	1991

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wnd Would not disclose

na Not available

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1 Doing business as QuoteMe.com.

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Researched by Stacey Bengtson

Continued on Page 21



Max Dolberg

Galen Aswegan is the president and CEO of Tapestry Solutions.

Memory of Fallen Co-Worker Inspires Firm to New Heights

Co-Founder Was Civilian Contractor Who Died in a 2003 Ambush in Kuwait

No. 6

Tapestry Solutions, Inc.

CEO: Galen Aswegan

Location: 5643 Copley Drive, San Diego 92111

2004 revenues: \$22.51 million

2002-04 growth: 425 percent

No. of local full-time employees: 72

Web site: www.tapestrysolutions.com

CEO's secret to success: "Most of it is just customer support . . . you need hands-on customer service so they'll remember you and come back."

BY JESSICA LONG

There's one company in San Diego that's expanding so quickly its had to buy its own three-story building to accommodate the growth.

Tapestry Solutions, Inc., which ranks No. 6 on the *San Diego Business Journal's* List of Fastest-Growing Private Companies, designs custom software for U.S. military forces. The company has more than quadrupled its business in the past three years. In June, the company purchased the 36,073-square-foot, three-story office building formerly occupied by Metabolife International, Inc., off Convoy Street and state Route 52, for \$9 million. The shift from leased office space on Ruffin Road to owning the entire building is a move the company can readily afford thanks to pulling in \$20-plus million a year in revenues.

"To some degree, we're riding the wave of the war in Iraq, but it is reluc-

Continued on the next page

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Tapestry: About Two-Thirds of Firm's Workers Have Military Experience

Continued from the preceding page

tantly," said Galen Aswegan, the president and chief executive officer.

Aswegan started the company in 1992 with his college roommate, Michael Pouliot. The idea of supplying American soldiers with computer programs such as the Joint Deployment Logistical Model, which helps with mission planning and training operations, isn't just about the money for this local company.

Good Memories

Company executives are largely motivated by their memories of Pouliot, who was tragically killed in an ambush just outside a U.S. base in Kuwait City in January 2003.

"Mike was a key player," said Mark Young, the company's chief financial officer. "He really started this company with Galen and put it on the road to success. I think the loss did motivate everybody. It was definitely an emotional blow. We certainly could have said game over and pulled out, but I don't think he would have wanted that."

Aswegan said that Pouliot helped lay a great foundation for the business, which until about three or four years ago was moving on a slower, sturdy upward growth pattern.

With an air of melancholy, Aswegan added later that "not a day goes by I don't curse Mike out for something around the office."

Pouliot was in Kuwait City as a civil-



Max Dolberg

Tapestry Solutions military analyst John Goodman works with the company's product Battle Command Support Sustainment System.

ian contractor with fellow Tapestry co-worker David Caraway, who was also injured in the attack, but not fatally. Both men received the civilian equivalent of the Purple Heart late last year, with Pouliot's family accepting on his behalf. Caraway is still with the company and working in its Florida offices.

Since Pouliot's death, Tapestry has implemented a strict policy that prohibits any employee without prior military training from entering a war zone.

"Frankly, it wouldn't have made a difference anyway (with Mike), but procedurally, we put that in place anyway to

be safe," Aswegan said, noting that the twosome was helpless against the surprise attack, which occurred two months before the Iraqi war had even started.

Tapestry employs 220 people worldwide, about two-thirds of them have military experience and started working for the company in only the past year or so. Young said in November 2002, only about 30 people were on the company's payroll. By the end of 2004, that number had risen to somewhere between 120 and 140. Roughly 70 of the approximately 220 people on Tapestry's payroll are based in San Diego.

While Tapestry's headquarters are in

San Diego, the company also keeps offices in Virginia, Texas, Florida, Kansas and Germany.

"We've been staffing so rapidly, it just keeps going and going," Young said, noting that many employees also are constantly working in the field alongside soldiers in the Middle East.

Military Support

While safety concerns play a big role in Tapestry's interest in hiring people with military experience, there is also an underlying company push to hire people passionate about supporting soldiers who will happily put in extra hours without expecting overtime just to be sure the job is done right.

"If there was a company motto, it would have to be something to the effect of people interested in making a difference and doing a real good job at it," Young said.

As for the future, Tapestry is prepared to stay 100 percent employee-owned as it faces even more growth at the end of this year. Young said that the company is expected to make about \$35 million this year, not quite double 2004's total, but enough to keep everyone smiling.

"At some point, it may make sense to make a merger move or do something else to keep a hold on things," Aswegan said. "But at this point, we're pretty happy with where we are and we think we got a pretty good chance of making the Fastest 100 list next year."

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Continued from Page 16

FASTEST-GROWING PRIVATE COMPANIES

Ranked by percent of verified revenue growth from 2002 to 2004

Rank	Company Address Web site	Telephone Fax Toll-free number	Percentage growth in revenue from 2002 - 2004	Revenues: • 2004 • 2003 • 2002 \$ Millions	Local full-time employees: • 2005 • 2004 • 2003	Startup capital: • Amount • Source	Business description*	• CEO • CFO	Year established locally
51	Hawthorne Machinery Co. 16945 Camino San Bernardo, San Diego 92127 www.hawthornecat.com	(858) 674-7000 (858) 674-7160	55%	\$260.44 \$162.65 \$168.33	567 548 524	wnd na	Construction equipment dealership	J.T. Hawthorne Colleen Harvey	1956
52	Waters Fine Catering 1105 W. Morena Blvd., San Diego 92110 www.waterscatering.com	(619) 276-8803 (619) 276-8810	55%	\$2.78 \$2.29 \$1.8	20 35 25	na na	Full-service catering, gourmet food to go	Mary Kay Waters na	1988
53	D&D Tools 1028 Buena Ave., San Diego 92110 www.ddtool.com	(619) 276-9100 (619) 276-9199 (800) 876-5553	54%	\$37.5 \$31.8 \$24.4	99 119 102	na na	Distributor of cutting tools, abrasives, hand and power tools, manufacturing and sharpening of cutting tools	Georgia Dutro Georgia Dutro	1947
54	Paradise Electronic Inc. 9260-F Isaac St., Santee 92071	(619) 449-4141 (619) 449-6968	54%	\$22.5 \$17.59 \$14.62	180 157 157	\$1,000 Self-funded	Electrical contractor of new homes, apartments and condominiums	John Paradise na	1988
55	Elan Certified Organic Coffees 1205 J St., San Diego 92108	(619) 235-0392	54%	\$6.65 \$5.59 \$4.31	7 6 5	\$1,000,000 Commercial bank loan, investors	Importer of certified organic coffees	Karen Cabreros na	1989
56	TLC Staffing 8788 Balboa Ave., San Diego 92123 www.tlcstaffing.com	(858) 569-6260 (858) 569-8026 (800) 834-4576	51%	\$11.35 \$9.4 \$7.49	22 18 15	na na	Provides temporary, temp to hire, contract and direct hire placements	Judith Lawton na	1985
57	Ocean Systems Engineering Corp. 2141 Palomar Airport Road, #200, Carlsbad 92009 www.oscec.com	(760) 692-0080 (760) 692-0094 (800) 320-8005	50%	\$32.35 \$28.01 \$21.52	176 149 132	wnd Self-funded	Engineering and information technology design and support services	Patrick Moneymaker Marc Herman	1990
58	Cavnignac & Associates 450 B St., #1800, San Diego 92101 www.cavnignac.com	(619) 234-6848 (619) 234-8601	50%	\$6.18 \$5.35 \$4.12	34 34 30	\$120,000 Self-funded	Full-service commercial insurance agency specializing in exposure analysis and risk management	Jeffrey Cavnignac na	1992
59	The Accounting Group 2150 W. Washington St., #401, San Diego 92110 www.teamtag.net	(619) 225-9322 (619) 615-0722	50%	\$1.5 \$1.2 \$1	20 15 10	na Commercial bank loan	Accounting firm that provides on-site CFOs, controllers and accounting professionals to companies	Robert Scherer NA	1996
60	Information Systems Laboratories 10070 Barnes Canyon Road, San Diego 92121 www.islinc.com	(858) 535-9680 (858) 535-9848	49%	\$22.1 \$18.7 \$14.85	57 47 39	\$10,000 Self-funded	High-tech research and development company	Michael Dowe Jr. Peter Kuebler	1996
61	Science Applications International Corp. 10260 Campus Point Drive, San Diego 92121 www.saic.com	(858) 826-6000	49%	\$7,187 \$5,833 \$4,835	4,784 4,667 4,694	na na	Provides information technology, systems integration and e-solutions to commercial and government customers	Ken Dahlberg Tom Darcy	1969
62	One Source Realty GMAC 2655 Camino del Rio N., #450, San Diego 92108 www.onesourcerealty.com	(619) 296-9055 (619) 296-5831	48%	\$40.21 \$36.06 \$27.18	49 45 38	na Private investors	Real estate sales	Gregg Seaman na	1986
63	Office Pavilion 6920 Carroll Road, San Diego 92121 www.opsd.com	(858) 784-5200 (858) 784-5290	48%	\$19.72 \$17.25 \$13.34	43 41 38	na na	Full-service contract furniture dealer	Vicky Carlson Vicky Carlson	1980
64	LPL Financial Services 9785 Towne Centre Drive, San Diego 92121 www.lpl.com	(858) 450-9606 (800) 877-7210	46%	\$1,136 \$890.88 \$780.15	907 796 708	na Investors	Brokerage firm providing research, technology and non-proprietary products to independent financial advisers	Mark Casady Bill Maher	1989
65	GVA IPC Commercial Real Estate 9171 Towne Centre Drive, #175, San Diego 92122 www.gvaipc.com	(858) 450-3000 (858) 450-3336	46%	\$7.03 \$6.41 \$4.81	40 35 28	na na	Full-service commercial real estate brokerage firm	Jay Diskin Jay Diskin	1975
66	I.E. - Pacific 1663 Pacific Rim Court, San Diego 92154 www.iepacific.com	(619) 671-5870 (619) 671-5877	45%	\$22.54 \$10.9 \$12.3	27 31 35	na na	Construction company for federal, state and local agencies	Diane Koester-Dion na	1993
67	St. Bernard Software Inc. 15015 Avenue of Science, San Diego 92128 www.stbernard.com	(858) 676-2277 (858) 676-3677 (800) 782-3762	45%	\$21.25 \$20.23 \$14.67	151 178 130	\$1,000,000 Self-funded	Software development and sales	John Jones Al Reidler	1995
68	G.S. Levine Insurance Services, Inc. 3377 Carmel Mountain Road, San Diego 92121 www.gslevineins.com	(858) 481-8692 (858) 481-7953 (800) 451-0517	45%	\$8.57 \$6.9 \$5.92	50 42 38	\$20,000 Private investors, self-funded	Provides insurance and risk management services	Gary S. Levine Judy King	1987
69	Caseman Inc. P.O. Box 7939, San Diego 92167 www.caseman.com	(619) 224-6261 (619) 226-3183 (800) 227-3626	45%	\$2.62 \$1.86 \$1.81	6 5 4	wnd Private investors	Seller of shipping and carrying cases and provider of custom foam interiors for a variety of cases	Cathy Bohlman Cathy Bohlman	1994
70	Grubb & Ellis/BRE Commercial 4350 La Jolla Village Drive, San Diego 92122 www.brecommercial.com	(858) 546-5400 (858) 630-6320	44%	\$32 \$25.74 \$22.25	170 126 121	na na	Commercial real estate brokerage services	John D. Frager Ned Hall	1986
71	SmartDraw.com 9909 Mira Mesa Blvd., #300, San Diego 92131 www.smartdraw.com	(858) 225-3342 (800) 768-3729	43%	\$5.3 \$4.5 \$3.7	26 21 18	na Self-funded	Provides diagramming/graphic software	Paul Stannard Andrew Resnick	1994
72	Red Lizard Creative 9740 Scranton Road, #150, San Diego 92121 www.redlizardcreative.com	(858) 453-3761 (858) 453-3946 (800) 453-3761	43%	\$2.75 \$3.1 \$1.92	10 10 8	\$10,000 Self-funded	Full-service advertising, marketing and public relations agency	Bill Fruehling Lynne Fruehling	1985
73	The Eastridge Group of Staffing Cos. 2355 Northside Drive, San Diego 92108 www.eastridge.com	(619) 260-2000	42%	\$121.1 \$97.1 \$86	117 106 101	wnd wnd	Personnel placement services for temporary and permanent positions	Robert Svet Michael Santos	1972
74	Pridestaff 8950 Villa La Jolla, Suite A127, La Jolla 92037 www.pridestaff.com	(858) 453-7823 (858) 453-7826	42%	\$475 \$448 \$335.4	8 6 4	na na	Staffing services specializing in clerical, administrative and accounting temps to hire	Christine Rupp Christine Rupp	1999
75	NTDStichler Architecture 9655 Granite Ridge Drive, #400, San Diego 92123 www.ntdstichler.com	(858) 565-4440 (858) 569-3433	40%	\$40 \$30.75 \$28.5	102 98 64	wnd wnd	Design firm providing architecture, engineering and interior design specializing in health care and educational facilities	Jon Baker Todd Stichler	1953

In case of a tie, companies are ranked by 2004 revenue.
 * This is a partial listing.
 wnd Would not disclose
 na Not available
 NA Not applicable
 (NR) Not ranked
 † Doing business as QuoteMe.com.
 ‡ Total amount in five rounds of financing.
 § Chief operating officers.

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 Source: The companies, CPA attestation letters and San Diego Business Journal List files.
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Researched by Stacey Bengtson

Continued on Page 22

Continued from Page 21

FASTEST-GROWING PRIVATE COMPANIES

Ranked by percent of verified revenue growth from 2002 to 2004

Rank	Company Address Web site	Telephone Fax Toll-free number	Percentage growth in revenue from 2002 - 2004	Revenues: • 2004 • 2003 • 2002 \$ Millions	Local full-time employees: • 2005 • 2004 • 2003	Startup capital: • Amount • Source	Business description*	• CEO • CFO	Year established locally
76	Sharp Health Plan 4305 University Ave., #200, San Diego 92105 www.sharphhealthplan.com	(619) 228-2377 (619) 228-2444 (800) 359-2002	38%	\$202.41 \$186.92 \$147.09	82 102 72	\$400,000 Capital funding	Health insurance - HMO	Kathlyn Mead Rita Datko	1946
77	Equity 1 Lenders Group 9444 Waples St., #300, San Diego 92121 www.eq1direct.com	(858) 558-5455 (858) 457-5455 (800) 736-3646	38%	\$30.15 \$27.96 \$21.91	157 128 127	na na	na	Camron Barton Camron Barton	1989
78	Deep Sea Power & Light, Inc. 3855 Ruffin Road, San Diego 92123 www.deepsea.com	(858) 576-1261 (858) 576-0219	38%	\$18.78 \$15.67 \$13.59	124 113 104	na Self-funded	Manufacturer of underwater cameras and lights	Mark Olsson John Chew	1983
79	Protogate Inc. 12225 World Trade Drive, Suite R, San Diego 92128 www.protogate.com	(858) 451-0565 (858) 451-2865	38%	\$2.59 \$2.58 \$1.88	6 7 7	wnd wnd	Computer communications	Eric Loos William Rocco	2000
80	Innovative Employee Solutions, Inc. 9665 Granite Ridge Drive, #420, San Diego 92123 www.innovativeemployeesolutions.com	(858) 715-5100 (858) 715-5110	37%	\$78.19 \$72.4 \$57.18	21 20 17	na na	Payrolling and outsourced human resources administrative services	Elizabeth Rice Carol Nash	1972
81	Creative Benefits, Inc. 956 Vale Terrace Drive, Vista 92084 www.creativebenefits.com	(760) 758-4600 (760) 643-0996 (888) 295-5959	37%	\$4.34 \$4.1 \$3.18	51 51 54	\$3,000 Self-funded	Third party administrator that provides benefit administration	Jody Diétel Rock Hall	1989
82	G2 Software Systems Inc. 4250 Pacific Highway, #125, San Diego 92110 www.g2ss.com	(619) 222-8025 (619) 226-8025	36%	\$13.6 \$11.2 \$10	68 93 78	na na	Software application development and systems engineering	Georgia Griffiths na	1989
83	Solutions Consulting Group 54505 Morehouse Drive, #300, San Diego 92121 www.scg.net	(858) 455-0777 (858) 455-9777	36%	\$2.66 \$2.01 \$1.96	27 25 20	\$10,000 Self-funded	Information technology consulting and application development firm	William Edmett Sr. NA	1992
84	Islands Fine Burgers and Drinks 5750 Fleet St., #120, Carlsbad 92008 www.islandsrestaurants.com	(760) 268-1800 (760) 918-1500	35%	\$137.67 \$116.97 \$101.91	267 240 214	wnd wnd	Restaurant chain	Doug Kollus Rob Richards	1993
85	Predicate Logic, Inc. 9619 Chesapeake Drive, #200, San Diego 92123 www.predicate.com	(858) 715-0100 (858) 715-0151	34%	\$10.9 \$9.09 \$8.13	33 27 34	wnd Self-funded	Provides software and network engineering and management support	James Lawler James Lawler	1992
86	Coffman Specialties, Inc. 4375 Jutland Drive, #260, San Diego 92117 www.coffmanspecialties.com	(858) 272-9080 (858) 272-3655	33%	\$76.36 \$71.19 \$57.45	150 120 75	na na	General engineering firm, specializing in concrete paving for freeways and airports	Colleen Coffman na	1991
87	Barney & Barney LLC 9171 Towne Centre Drive, #500, San Diego 92122 www.barneyandbarney.com	(858) 457-3414 (858) 452-7530 (800) 321-4696	32%	\$39.2 \$35.35 \$29.8	212 197 186	na na	Full-service risk management consulting and insurance brokerage firm	Paul J. Hering Hal Dunning	1909
88	Take A Break Service 2120 Harmony Grove Road, Escondido 92029 www.takeabreakservice.com	(760) 746-4800 (760) 746-4950 (800) 200-4799	32%	\$36.39 \$30.31 \$27.63	103 106 95	na Private investors	Food and beverage vending service, office coffee service	Ron Reinhardt Katherine Backman	1981
89	Good & Roberts, Inc. 2320 Cousteau Court, Vista 92081 www.goodandroberts.com	(760) 598-7614 (760) 598-7659 (800) 350-7614	32%	\$32.63 \$17.01 \$24.64	77 70 62	na Self-funded	General contractor specializing in biotech, pharmaceutical, tenant improvements, manufacturing, financial and institutional	Jack Good Elizabeth Good	1979
90	Acucorp, Inc. 8515 Miralani Drive, San Diego 92126 www.acucorp.com	(858) 689-4500 (858) 689-4550 (800) 262-6585	32%	\$19.53 \$17.71 \$14.75	76 84 86	na na	Developer of software solutions	Pamela Coker Robert Gerhart	1988
91	Prometheus Laboratories Inc. 5739 Pacific Center Blvd., San Diego 92121 www.prometheuslabs.com	(858) 410-2516 (858) 535-2193 (888) 423-5227	31%	\$89.6 \$69.58 \$68.15	142 149 135	\$73,000,000 Venture capital	Specialty pharmaceutical company focusing on treating diseases and disorders	Joseph Limber Michael Swanson	1996
92	Katz & Associates, Inc. 4250 Executive Square, #670, La Jolla 92037 www.katzandassociates.com	(858) 452-0031 (858) 552-8437	31%	\$4.46 \$3.39 \$3.39	35 34 33	na na	Community relations, public involvement and issue management	Sara Katz NA	1986
93	Synteract Inc. 5759 Fleet St., #100, Carlsbad 92008 www.synteract.com	(760) 268-8200 (760) 929-1419	30%	\$13.65 \$9.77 \$10.48	115 78 62	\$50,000 Commercial bank loan	Provides clinical trial services to biotech, pharmaceutical and medical device companies	Ellen Morgan NA	1995
94	Althea Technologies 11040 Roselle St., San Diego 92121 www.altheatech.com	(858) 882-0123 (858) 882-0133 (888) 425-8432	30%	\$11.8 \$9.4 \$9.1	60 57 52	\$4,000,000 Venture capital, self-funded	Provides contract manufacturing and testing services to the biotech and pharmaceutical industries	Magda Marquet ³ Francois Ferre ³	1997
95	C&D Motorhomes, LLC 4530 Convoy St., San Diego 92111 www.c-dmotorhomes.com	(858) 292-8700 (858) 292-8709 (800) 292-8090	27%	\$29.51 \$28.15 \$23.22	47 45 48	wnd Self-funded	Recreational vehicle sales, service and parts	Richard Dieterle NA	1992
96	Roel Construction Co. 3366 Kurtz St., San Diego 92110 www.roel.com	(619) 297-4156 (619) 297-9554 (800) 662-7635	25%	\$198 \$192.53 \$158	288 329 396	wnd Private investors	General contractor that provides general construction, tenant improvements, structural concrete, consulting services	Wayne Hickey Craig Koehler	1959
97	HK Plastics Engineering, Inc. 235 Via del Monte, Oceanside 92054 www.teamhk.com	(760) 757-1200 (760) 757-1298	25%	\$13.79 \$13.63 \$10.98	119 135 119	na na	Plastic injection molding and screw machine parts	Gerry Krippner Peter Krippner	1984
98	EOS International 2382 Faraday Ave., #350, Carlsbad 92008 www.eosintl.com	(760) 431-8400 (760) 431-8448 (800) 876-5484	23%	\$5.68 \$5.1 \$4.61	68 64 60	na na	Provides Internet-based library automation to corporate, legal, medical and government organizations	Tony Saadat Sharon Flower	1981
99	Ninyo & Moore 5710 Ruffin Road, San Diego 92123 www.ninyoandmoore.com	(858) 576-1000 (858) 576-9600	22%	\$33.75 \$30.53 \$27.7	96 96 82	\$886,000 Self-funded	Geotechnical, environmental and materials testing and inspection services	Avram Ninyo NA	1986
100	Evans Hotels 998 W. Mission Bay Drive, San Diego 92109 www.evanshotels.com	(858) 539-7600 (858) 488-2524 (800) 788-0770	18%	\$72.48 \$67.42 \$61.62	918 910 980	na na	Resort and commercial property ownership, development and management	Grace Evans Cherashore Robert Gleason	1945

In case of a tie, companies are ranked by 2004 revenue.

*This is a partial listing.

wnd Would not disclose

na Not available

NA Not applicable

(NR) Not ranked

¹ Doing business as QuoteMe.com.² Total amount in five rounds of financing.³ Chief operating officers.

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Researched by Stacey Bengtson

Mad Dog: Firm Seeks \$100M in Sales

Continued from Page 12

its revenues from \$7.67 million in its first year of operations to \$46.28 million last year — a 503 percent increase, good for fifth on the *San Diego Business Journal's* List of Fastest-Growing Private Companies. Mad Dog Multimedia says it expects \$100 million in annual sales by the end of 2008.

"We've been able to embrace with our customers specific strategies that start at one point and then we're able to broaden, so we're able to grow our business very dynamically within our customer base," said Dendo, 54, a Solana Beach resident, when asked for the reasons for the San Diego-based company's success. "They trust us. They trust our integrity. They trust our ability to fulfill and deliver on time. They trust our programs and they have a lot of success with them. I guess the bottom line is they make money with them. That's number one.

"Number two is, and some people could argue it's number one, but I always believe that the customer is the starting point with any company. We've been very flexible. We've been very creative in terms of being able to take our business and mold it to the economic needs of the country and to be able to mold it to the needs of the customer. ... There is no way that it is. There is a way that it is this quarter or this year, but it's a constantly evolving economy that we're dealing in."

Always Evolving

Dendo added that Mad Dog, which has just seven full-time employees and 150 contracted workers, has constantly tweaked its business model.

"Mad Dog Multimedia has had a total cash capitalization of \$85,000," he said. "Mad Dog Multimedia has done over \$100 million worth of business in 3 1/2 years. ... Our goal, which I was really striving for, was to have 10 people to do a hundred million dollars annually in business. I don't think we can make it. ... But I think we can probably do it with 12 or 13 (full-time employees)."

With more than 30 years of experience in the office products and computer peripheral markets, Dendo says his firm started as a Chevrolet Impala — good and reliable.

Now, Mad Dog Multimedia has more than 2 million registered users of its products. The company is first to market with best-specification products. The firm gets its optical storage products to market five months before its competitors, Dendo said.

"We're probably coming close to being a Lincoln, with Sony being the Porsche," he said.

Mad Dog has a line of Techie Toyz geared to 12- to 25-year-olds who want to enhance the image of their computer.

"They put fans on it to make it run quieter," said Dendo, who noted that Sony Corp., Antec, Inc. and ATI Technologies Inc. are among his firm's competitors. "They put fans on it so that while they're gaming ... their computer doesn't overheat. They dress it up and the computer becomes a statement about them."

Mad Dog's optical storage products give

users the ability to create digital photo libraries and store data, while its graphics line is geared to the business and consumer marketplace, including hard-core gamers, management professionals and the SOHO (small office, home office) user.

Mad Dog's mantra of "uncompromising excellence" is defined by dedication to product design and manufacturing excellence, along with providing the multimedia consumer a great experience at an affordable price, according to its Web site.

"We never take anything for granted," Dendo said. "We listen to the needs of our customers. We're always looking to improve on our cost structure and increase efficiency. We're very flexible. We move quickly."



Melissa Jacobs

Mad Dog Multimedia CEO Michael Dendo says his company gets its optical storage products to market five months before its competitors.

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Highest Revenue Generators

Ranked by 2004 revenue (in millions)
(*ranking from % of revenue growth list)

No.	Revenue	Company	Rank*
1	\$7,187.00	Science Applications International Corp.	61
2	\$1,136.00	LPL Financial Services	64
3	\$746.90	The Corky McMillin Cos.	31
4	\$679.00	La Mesa RV Center Inc.	42
5	\$449.98	Barnhart, Inc.	17
6	\$260.44	Hawthorne Machinery Co.	51
7	\$250.09	Supreme Oil Co.	10
8	\$202.41	Sharp Health Plan	76
9	\$198.00	Roel Construction Co.	96
10	\$137.67	Islands Fine Burgers and Drinks	84
11	\$132.24	Interior Specialists, Inc.	47
12	\$121.10	The Eastridge Group of Staffing Cos.	73
13	\$89.60	Prometheus Laboratories Inc.	91
14	\$78.19	Innovative Employee Solutions, Inc.	80
15	\$76.36	Coffman Specialties, Inc.	86
16	\$72.48	Evans Hotels	100
17	\$57.37	CUSO Financial Services, L.P.	48
18	\$57.13	Pacific Building Group	46
19	\$54.46	Michael Crews Development II	43
20	\$52.15	Kineticom Inc.	2
21	\$50.65	American Mortgage Express Financial	41
22	\$46.28	Mad Dog Multimedia Inc.	5
23	\$40.21	One Source Realty GMAC	62
24	\$40.00	NTDSStichler Architecture	75
25	\$39.20	Barney & Barney LLC	87
26	\$37.50	D&D Tools	53
27	\$36.39	Take A Break Service	88
28	\$33.75	Ninyo & Moore	99
29	\$32.63	Good & Roberts, Inc.	89
30	\$32.35	Ocean Systems Engineering Corp.	57
31	\$32.00	Grubb & Ellis/BRE Commercial	70
32	\$30.15	Equity 1 Lenders Group	77
33	\$29.51	C&D Motorhomes, LLC	95
34	\$22.69	MTC Services Corp.	14
35	\$22.54	I.E.- Pacific	66
36	\$22.51	Tapestry Solutions Inc.	6
37	\$22.50	Paradise Electronic Inc.	54
38	\$22.10	Information Systems Laboratories	60
39	\$22.05	SkinMedica, Inc.	11
40	\$21.25	St. Bernard Software Inc.	67
41	\$19.72	Office Pavilion	63
42	\$19.53	Acucorp, Inc.	90
43	\$19.04	Evans Tire & Service Center	30
44	\$18.78	Deep Sea Power & Light, Inc.	78
45	\$18.72	Aplus.Net	44
46	\$18.50	Equity Plus Inc.	9
47	\$18.10	Traffic Tech Inc.	25
48	\$17.45	GMI Building Service, Inc.	34
49	\$15.81	Sullivan International Group, Inc.	13
50	\$13.87	Xnergy	7



Max Dalberg

Kineticom service delivery teams work on recruiting and account management.

Kineticom: Major Customers

Continued from Page 6

\$3.77 million in 2002 to \$52.15 million last year, a gain of 1,281 percent, which landed it second on the *San Diego Business Journal's* List of Fastest-Growing Private Companies.

Top-Flight Customers

As Kineticom's revenues have soared, its staffing has grown from six people in 2002 to about 70 this year, including 55 employees at its Downtown headquarters.

Kineticom's biggest customers include not only major carriers such as Cingular, Ericsson, Sprint and T-Mobile, but range from major entities such as General Dynamics to much smaller businesses like Rent One Online.

Because many of its telecom customers have operations in other countries, so does Kineticom, which has provided its services in dozens of countries through a London office that serves clients in Europe, the Middle East and Africa.

Billsberry said he has big goals for the company in the coming years.

"Our focus now is on expanding our brand and taking the company into the top half-percent of all staffing companies in the United States. That means generating revenues of more than \$100 million annually," he said.

The company received a nice boost toward higher name recognition in June when it was awarded a "Stevie," the equivalent of an Oscar in the business world, Billsberry said.

The firm was recognized for redefining the staffing agency model amid a global shift to a flexible work force.

Billsberry got Kineticom started with two partners — Paul Roebuck and Steve Orr.

Roebuck, who Billsberry called a "serial entrepreneur," is the founder of a large telecom staffing company in

Europe and provided the largest chunk of the seed capital of \$250,000. In addition, the firm obtained a \$750,000 loan to get the business started.

Last year, Kineticom placed some 800 workers on various projects lasting between a few weeks to a year. This year, the average term of the projects has increased, with some lasting as much as two years.

The salaries for Kineticom's contract workers are also improving and range from about \$30 to \$150 an hour. It's even higher for executives, Billsberry said.

This year's revenues should reach about the same as in 2004, mostly because the company is investing in additional training and development and systems integration, Billsberry said.

Tying In With VCs

Kineticom is finding more projects through connections it has with venture capital firms that are intent on seeing that their investments in new tech companies have a better chance of winning, Billsberry said.

Some of the companies may have technical and scientific expertise in their core business, but need help with certain operations as the company expands, he said.

Because both the telecom and high-tech industries are rife with consolidation and merger activity, this often results in the need for skilled labor on a short-term basis, he said.

But the resumption of capital spending by many larger telecom carriers after years of cutbacks is one of the primary drivers to Kineticom's growth.

There's a lot more work because there's more spending by telecom carriers as they step up their development of systems and networks.

"As they integrate and upgrade their networks, that creates more projects for us," he said.

Gen X Plus Synergy Equals a Winning Company

Construction Firm Builds on Employees' Youth and Its Owner's Experience

BY KATIE WEEKS

Jeff Gosselin had to stay out of the construction industry for five years to abide by a non-compete agreement after he sold his first company in 1996.

In the meantime, the Encinitas resident sold his advice as a consultant, played the stock market and rolled the real estate dice.

When the five years was up, the now 50-year-old Gosselin didn't waste any time.

In 2001, he immediately founded the company he owns and runs today, **Xnergy** — named for its Generation X work force and the synergy its founder saw among the employees. Xnergy ranks seventh on the 2005 *San Diego Business Journal's* List of Fastest-Growing Private Companies in San Diego County.

Carlsbad-based Xnergy is a full-service construction and engineering firm specializing in work for high-tech, biotechnology and pharmaceutical companies.

The company made \$500,000 in its first three months. While many of Xnergy's competitors have lost their market share, he said, the company's revenues have more than doubled each year since it opened. In 2004, the company's revenue was \$13.87 million. Gosselin attributes the rapid success partly to Xnergy providing all but a few services in-house, whereas competitors might use subcontractors. Xnergy saves customers money, he said, by subcontracting only masonry, electrical and roofing work.

Xnergy provides services for and installs heating and cooling systems, as well as plumbing and insulation — just for starters. Xnergy also participates in green building practices in order to help companies save energy costs.

Trickling Down

The Xnergy Web site touts the firm's positive work environment as an incentive that will trickle down to customers.

The work environment at Xnergy is nurturing, Gosselin said. "We reward ideas and creativity, adjusting our business model if necessary."

His founding partners in the busi-

No. 7

Xnergy

CEO: Jeff Gosselin

Location: 2237 Faraday Ave., No. 100, Carlsbad 92008

2004 revenues: \$13.87 million

2002-04 growth: 395 percent

No. of local full-time employees: 75

Web site: www.xnergy.net

CEO's secret to success: "I know where we are today. I know where we're going. We don't need to keep growing this fast to be happy. It's not about getting every job. It's about doing a good job."

ness, which now has about 80 employees, include Jason Davis, the vice president of operations, and Joey Patalano, the field superintendent.

"It's a fun, open-minded place," Gosselin said, adding that most of the workers are in their 30s.

Some of the company's recent projects are laboratory construction for the Scripps Research Institute, a new stability chamber room for Pfizer, Inc., and installation of an 8,800-square-foot lab for Guidant DES.

The first company Gosselin started in 1981 and sold was San Diego Mechanical, a business that dealt in water and space heaters as well as mechanics, but it no longer exists, he said. He received an economics degree from the University of Tennessee-Knoxville.

Gosselin expects Xnergy revenues for 2005 to top out around \$20 million. He believes the firm will eventually level off around \$50 million in revenues per year. He would like to take on fewer customers with larger budgets. Even now, however, Gosselin said most of Xnergy's revenue extends from about 20 percent of its clients.

"I know where we are today. I know where we're going," he said. "We don't need to keep growing this fast to be happy. It's not about getting every job. It's about doing a good job."



Melissa Jacobs

Chief Executive Officer Jeff Gosselin has helped Carlsbad-based Xnergy increase its revenues by 395 percent in the last three years.

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Shareholders Beware: Cash Withdrawals May be Considered Dividends by the IRS

Did you know that the IRS has the ability to treat withdrawals of cash from a corporation, as well as other transactions, as dividends or compensation—even though no dividends have been declared?

When a Loan is not a Loan

The 1995 Tax Court case *Epps v. Commissioner* (TC Memo 1995-297) demonstrates what can happen when shareholders make cash withdrawals from a corporation.



Marshall Varano, CPA
Partner
J.H. Cohn LLP

In *Epps*, the taxpayer shareholders took money from the corporation "at will," accounting for these withdrawals as shareholder advances while recording them as loans on the corporate financial statements shown to third parties. Some repayments of the loans were made by crediting the owner's year-end bonus against the loan; however, clear repayment terms did not exist. During an audit, the IRS determined that the shareholder advances were not true loans and treated them as dividends.

Determining if Loan is Valid

There are various factors that can be used to determine whether a shareholder withdrawal is a loan or a dividend. In *Epps*, the court considered the following:

- How large are the advances? Is there a ceiling on the amounts that can be advanced and is it documented in the minutes?
- Is there security given for the advances? (Security should exist if the articles of incorporation provide that the corporation will have a lien on the shareholders' stock for any advances.)
- Is the shareholder in a position to repay the loan?
- Is there a written note with a maturity date and interest rate? If a maturity date isn't specified, has any repayment been made?
- Is there a repayment schedule? Has repayment been enforced by the corporation?
- Has interest been accrued on the books? Has any interest been paid?
- What control does the owner have over the corporation?
- Are the owner's personal expenses run through the corporation?
- What's the earnings and dividends history of the corporation?
- Is the owner compensation sufficient or is it unreasonably low?

Each factor does not necessarily establish that the withdrawal is a loan. However, they do allow for the establishment of whether the withdrawal is a dividend or additional compensation.

In the case of *Epps*, the Tax Court agreed with the IRS. The taxpayer could not meet the burden of proof to the court's satisfaction in order to substantiate that the advances were actual loans. They couldn't show that they intended to repay the advances and the corporation had no documentation that it required repayment.

What should you do to ensure you meet IRS standards for shareholder loans? First, be sure the loans are evidenced by a formal promissory note with clear repayment terms, including a reasonable interest rate. Second, strictly follow the terms of the promissory note.

About J.H. Cohn

Founded in 1919, J.H. Cohn is one of the leading accounting and advisory firms in the United States. The firm has built a strong reputation based on industry expertise, technical excellence and commitment to partner-level attention. If you have any questions regarding this article, contact Marshall Varano, Partner, at 858-535-2000.

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1480 Ruffin Road ■ Suite 235
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Largest Employers

Ranked by number of local full-time employees 2004
(*ranking from % of revenue growth list)

No.	Employees	Company	Rank*
1	4,784	Science Applications International Corp.	61
2	918	Evans Hotels	100
3	907	LPL Financial Services	64
4	638	The Corky McMillin Cos.	31
5	617	GMI Building Service, Inc.	34
6	567	Hawthorne Machinery Co.	51
7	288	Roel Construction Co.	96
8	285	Barnhart, Inc.	17
9	267	Islands Fine Burgers and Drinks	84
10	212	Barney & Barney LLC	87
11	205	Interior Specialists, Inc.	47
12	185	Z57, Inc.	20
13	182	La Mesa RV Center Inc.	42
14	180	Paradise Electronic Inc.	54
15	179	Luth Research Inc.	49
16	176	Discovery Isle Child Development Center, Inc.	38
17	170	Grubb & Ellis/BRE Commercial	70
18	157	Equity 1 Lenders Group	77
19	156	Aplus.Net	44
20	151	St. Bernard Software Inc.	67
21	150	Pacific Building Group	46
22	149	American Mortgage Express Financial	41
23	125	Evans Tire & Service Center	30
24	124	Deep Sea Power & Light, Inc.	78
25	119	HK Plastics Engineering, Inc.	97
26	118	Indus Technology Inc.	22
27	117	The Eastridge Group of Staffing Cos.	73
28	115	Synteract Inc.	93
29	103	Take A Break Service	88
30	102	Advanced Electronic Solutions	35
31	100	CHMB	33
32	99	D&D Tools	53
33	96	Ninyo & Moore	99
34	95	Equity Plus Inc.	9
35	94	MG Properties	19
36	82	Sharp Health Plan	76
37	77	Good & Roberts, Inc.	89
38	76	Acucorp, Inc.	90
39	75	Xnergy	7
40	74	Stone Brewing Co.	32
41	72	Tapestry Solutions Inc.	6
42	70	Helix Environmental Planning, Inc.	39
43	68	EOS International	98
44	60	Client Shop, Inc.	1
45	57	CUSO Financial Services, L.P.	48
46	56	SkinMedica, Inc.	11
47	51	Creative Benefits, Inc.	81
48	50	Kineticom Inc.	2
49	49	One Source Realty GMAC	62
50	47	C&D Motorhomes, LLC	95

Raising San Diego's Profile Among Many Goals for Geary

CEO Andreas Roell Seeking Top 50 National Ranking

BY MARION WEBB

At age 31, Andreas Roell has had more careers than a cat has lives.

Among them: professional German soccer player, co-founder of Prime Player LLC, a victim of the dot-com crash, and now president of **Geary Interactive**, a full-service advertising agency in San Diego.

Still as ambitious as the first day he set foot on a soccer pitch, Roell wants to see Geary Interactive ranked among the top 50 online ad agencies nationwide by this time next year.

By then, the German-born entrepreneur also hopes to open several more offices, double his staff to 88 from its current 44 employees and win more high-profile clients.

Geary Interactive, a spinoff from the advertising agency Geary Co. in Las Vegas, provides online marketing campaigns and Web site development and design for 105 clients nationwide.

For Roell, marrying German work ethic with an American management style has paid off.

"I have a real German work mentality, but American vacation rules," said Roell half-jokingly, when asked about his management style.

Many German workers enjoy five to six weeks paid vacation a year, not counting holidays.

Roell says he works 10-hour days, but skips the long holidays.

Ranked the fifth largest ad firm in San Diego, according to the *San Diego Business Journal*. Geary Interactive reported \$3.7 million in adjusted gross income for the fiscal year ended Dec. 31, up from \$1.2 million in 2003.

Revenues more than doubled from \$1.6 million in 2002 and \$3.1 million in 2003 to \$7.9 million for 2004, driven by greater demand for online advertising, higher visibility of the company and more clients, Roell said. The company ranked eighth on the San Diego Business Journal's List of Fastest-Growing Private Companies in San Diego. The List ranks companies based on their revenue growth from 2002 to 2004.

"We started out in the hospitality and gaming world and now have a diverse

No. 8

Geary Interactive

CEO:
Andreas Roell

Location:
450 B St., Suite 950, San Diego 92101

2004 revenues:
\$7.7 million

2002-04 growth:
375 percent

No. of local full-time employees:
28

Web site:
www.gearyi.com

CEO's secret to success:
"Establish a dream and find people and a clear path that make it reality."

list of nationwide clients," Roell said.

Big-Name Clients

The roster is long and colorful, including its very first client, the Sahara Hotel and Casino Las Vegas. It also includes Hollywood film studios WB Kids and 20th Century Fox, Donald Trump International's real estate developments and educational work for public radio station KPBS-FM and both San Diego State University and UC San Diego.

Among his most prominent clients in the company's Geary Advocacy division is U.S. Sen. Harry Reid, D-Nevada.

"We helped him through his campaign in the state of Nevada with the creation of an online headquarters and Web site development," Roell said.

Roell also counts hard-line activist groups among his clientele.

For instance, Greenpeace, the environmental nonprofit organization, hired Geary Interactive to build a desktop tool that feeds e-newsletters and news alerts to their subscribers' computers in real time, he said.

Like so many small-business success stories, Roell and his partner, production director John McKusick, started the firm in an apartment.

They didn't have much cash — about \$2,000. But they did have tremendous insight from their previous Internet



Melissa Jacobs

Geary Interactive President Andreas Roell (left) and founder/Director of Design John McKusick.

venture and a strong backer in Geary, which partnered with them.

Roell was pursuing an undergraduate degree in international business at the University of Nevada, Las Vegas when he founded Prime Player. The firm partnered with online outlets such as ESPN to bring sports medicine and training information to athletes.

McKusick and Roell first met in 1998 when Roell turned to Geary for his advertising needs. The two men hit it off, and McKusick joined Prime Player that year; two years later they had run out of money.

Looking back, Roell said, "We were a bit too early for what we were doing."

Knowing the Internet was the way of the future, they started Geary Interactive in 2000 at the height of the dot-com bust.

Geary Interactive landed its first client, Sahara Hotel and Casino, by partnering with Geary, yet they remain independent. Roell admits getting the ball rolling wasn't so easy.

"Companies still didn't believe in online services," Roell recalled. "We had to convince businesses that they needed to take advantage of the Internet."

Tangible Results

He reeled in clients by offering them tangible returns on their investments

and hooked them by holding himself accountable.

He explained: "When you have a billboard up or a print ad, it's difficult to know what the returns are. Today we can track every sale. If people buy a product online from Eddie Bauer, we can track if an ad on Yahoo drives the sale, we can track how ads are driving people into the store, how many people go into the store and how many sales we're getting."

Part of Geary Interactive's success lies in the combined strengths of the founders.

"I know everything about online advertising and marketing. I am the guy who comes up with the strategy and talks to everyone and makes a plan for attack," Roell said. "John is in charge of technology, including the Web development, adopting the latest interactive technology and building the infrastructure."

A professional German soccer player at age 17, Roell remains as goal-oriented as ever.

"The San Diego advertising market is considered a tier two or tier three market," Roell said. "Everyone is focused on Los Angeles, New York and San Francisco. I want to give San Diego a higher profile."

Equity Plus Sustains Its Run Of Continued Successes

Knowing Failure May Be Just Around The Corner Buoy's Company's Future

No. 9

Equity Plus Inc.

CEO: Thomas Krug

Location: 5333 Mission Center Road, Suite 200, San Diego 92108

2004 revenues: \$18.5 million

2002-04 growth: 326 percent

No. of local full-time employees: 95

Web site: www.myequityaccess.com

CEO's secret to success:

"The mortgage industry continues to change and evolve; this guarantees opportunity. We find the best mortgage banking talent and capitalize on current trends and identify future opportunities."



Melissa Jacobs

Thomas Krug and his company, Equity Plus Inc., are spending their third consecutive year in the top 10 on The List of Fastest-Growing Private Companies.

BY ANDY KILLION

It's seldom surprising when real estate and mortgage companies experience great growth in San Diego County.

By now, it's expected of the industry. But residential mortgage bank **Equity Plus Inc.** has sustained growth such that it is spending a third consecutive year in the top 10 on the *San Diego Business Journal's* List of Fastest-Growing Private Companies. Equity Plus, No. 9 on this year's List, has grown 326 percent from 2002 to 2004; from \$4.3 million to \$18.5 million in revenue. And this year, it can't be credited to record low interest rates.

"I always knew we could be a player in the mortgage industry," said Thomas Krug, the chief executive and chief financial officer of Equity Plus. "Over the last couple years, I've adjusted my vision to bigger goals: to be the lender of choice in the U.S."

Specializing in sub-prime and alt A loans — loans with a loan-to-value ratio greater than 80 percent that lack mortgage insurance; loans where the borrower is a resident alien; loans secured by non-owner occupied property; and loans with no verification of borrower's income or assets — Equity Plus with 95 local, full-time employees, is licensed in eight states across the United States where the real estate markets don't necessarily reflect the

conditions of the San Diego market. "Specialty loan products are spreading, as most trends tend to, from California eastward," said Krug. He says that in Midwest states where Equity Plus is licensed (Illinois, Minnesota and Wisconsin), the 30-year fixed mortgage is still a great product; but in California, interest-only loans and other specialty financial products are what truly deliver the American dream. "We're also seeing a huge demand in Florida for those products."

Equity Plus competes to deliver that dream to home buyers with large banks such as Countrywide Home Loans, Washington Mutual and Wells Fargo. A small bank compared with behemoths Countrywide, WaMu and Wells, Equity, with only 95 local employees, maintains a flatter corporate structure. According to Krug, the flat structure is a competitive advantage, allowing the firm to react to the market more quickly since they "don't have to wait four or five months for product implementation."

Emphasis On Talent

However, Krug emphasizes that the mortgage banking business isn't as much about the products as it is about the people and that correct investment into employees and relationships will yield profitable results.

"It's not a secret to success but it's aided our success: better talent equals better performance," Krug said, adding

that technology has a large role in Equity Plus' success.

"With vendors and investors, investing in technology is about how to close a loan with less human touches on their file."

Currently, Equity Plus originates loans totaling more than \$50 million and is expected to double that number in a year. With its expansion east, it is creating a larger, more diverse pool of loans that will appeal to risk-averse, secondary-market investors.

Nearly all of Equity Plus' business comes from loans that are not guaranteed by the Federal National Mortgage Association (Fannie Mae) or the Federal Home Loan Mortgage Corp. (Freddie Mac). Currently, many San Diegans, regardless of income, may find themselves shopping for an unsecured loan since the maximum loan amount that Fannie Mae or Freddie Mac will guarantee is \$359,650.

Different Worlds

To home buyers in the Midwest, where according to the National Association of Realtors the median home price is \$167,800, that could mean 100 percent, guaranteed financing available. However, in San Diego County, where the San Diego Housing Commission says the median home price is \$530,000, \$359,650 is a relatively paltry sum.

Krug says that, because of these conditions, Equity Plus and its employees

must understand specialty products.

"Sometimes that means pausing and trying to find that industry veteran. We can also groom people into the company where they can take more responsibility," Krug said. "As we grow and enter new areas we've never seen, it's important to be able to find expertise outside the company."

Despite the company's success and continued rapid growth, Krug maintains a healthy fear of failure.

"I think that paranoia about failure is a driving force behind a lot of successful people but, obviously, you need more than that," Krug said. "I've seen a lot of companies that have grown fast and never had a solid footing beneath them — too top heavy in, say, sales. We've always taken time to pause and re-evaluate our needs and our operations, acknowledging that our infrastructure must be stable to handle the growth."

Employees of Equity Plus are excited about their growth and Krug has never kept the firm's growth a secret, communicating goals and success with employees personally.

"We're not supposed to be able to close a loan faster (than our competitors) and at a better rate, but we can," Krug said. "I'm not saying we always do, but we can compete on the same field, win loans with better rates and wipe the floor (with our competitors) with better service."

Advanced: No. 3 on This Year's List

Continued from Page 8

but also information on what types of wills, trusts and other legal documents should be used to lower the estate taxes of its high net worth clients. An inventor and incubator of new strategies and techniques, APS has also created a variety of compelling offerings, including an appraisal service for life insurance policies, a rescue program for over-funded retirement plans, a premium financing department for high net worth clients, and asset protection planning for professionals.

APS, No. 3 on this year's List of Fastest-Growing Private Companies, reported nearly \$7 million in fiscal 2004 revenues. Most of the company's 40 employees are based in San Diego, with the remainder operating in satellite offices in Boston, Birmingham, Ala., Scottsdale, Ariz., Fresno, Los Angeles and Orange County.

Business is expected to triple this year for APS, which plans to open offices in Chicago, Miami and Houston in the next 12 months, Rodman said.

"I started out with a blank piece of paper," he said about APS' beginning. "I decided that there wasn't anybody out there who was marketing advanced planning strategies to financial planners on a national basis. Although I was confident the idea would work, I've been amazed at how quickly the company has grown."

Rodman, a 21-year financial services veteran, said a big contributor to APS' rapid growth has been the adoption of innovative technology. The company can do business just about anywhere in the country with the use of the Internet and Web conferencing, he said.

"Technology helps us eliminate barriers in terms of how and where we do business," Rodman said. "A lot of financial planning firms doing high end planning are from a different generation and aren't leveraging the technology available to them. There are some wonderful financial planners out there, but many of them still don't know how to use technology, which ultimately limits their clientele and overall growth potential."

Best Practices

He said APS' incredible growth can also be attributed to the company's affiliation with Best Practices of America, an organization comprised of the nation's leading financial advisers, as

well as his employees.

"We have some of the finest professionals in the country working at APS," he said. "Most of our senior managers have more than 20 years of experience in the financial planning field. Our employees and the teamwork we have built together is the key factor that has made APS a success. Some of my best friends in life also happen to work at APS so that makes for some great times at work. We like what we do and we have fun doing it."

Rodman, a University of Notre Dame grad from New Jersey, said APS' ex-



Max Dolberg

Advanced Planning Services increased its revenues by 799 percent from 2002 to 2004.

perienced staff and tailored services have also helped the company's clients remain competitive.

"Financial planners who spend all their time managing stocks and bonds for a client don't have time to do estate planning for that client. But their client needs estate planning, so they bring us in to help with that," he said. "We help them use techniques that preserve the net worth for the generations to come."

Critical Decisions

Saving and planning for the future, Rodman said, is critical for anyone's financial survival. He said constant changes in the law are enough to keep financial planners busy for decades.

"Once you think you have everything set up right, the government changes the law," he said, adding that there is current chatter in Washington, D.C., about repealing the estate tax law or raising the exemption so people have less estate taxes to pay.

"I think there will be a change in the near future that is going to cause all high net worth people to re-evaluate their financial planning," Rodman said.

"Right now we're developing strategies anticipating a change so we can be the first ones out there with a solution," he added. "Everything we do is forward thinking. We want to be the first ones to offer the right idea and distribute it widely."

Andrea Siedsma is a freelance writer living in Encinitas.

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There's Big Oil, and Then There's Supreme Oil

Local Fuel Firm Finding Alternatives To Stay Competitive in the Market

No. 10

Supreme Oil Co.

CEO: Garth Davis

Location: 7525 Metropolitan Drive, Suite 306, San Diego 92108

2004 revenues: \$250 million

2002-04 growth: 274 percent

No. of local full-time employees: 32

Web site: www.supremeoil.com



Melissa Jacobs

CEO Garth Davis has helped lead San Diego-based Supreme Oil Co. to a 274 percent increase in revenue in the last three years.

BY ANDREA SIEDSMA

Back in the 1930s, many of the nation's smaller oil companies were family owned — passed down from grandfather to father to son. Consolidation has virtually wiped out that generational ownership during the last several decades; the oil business has also become a lot more complicated in a post-Sept. 11 world with amplified terrorist threats, increased federal regulations and, of course, steeper fuel prices.

Despite those challenges, there are still some smaller oil vendors earning a good living in this country, while simultaneously helping to fuel the overall industry.

One is San Diego-based **Supreme Oil Co.** The company, ranked No. 10 on this year's *San Diego Business Journal* List of Fastest-Growing Private Companies, sells oil in California, Arizona and Nevada to customers, including commercial companies, mom-and-pop service stations, Costco warehouse stores and San Francisco-based Safeway Inc. Supreme Oil also is a distributor for major oil companies such as Exxon, Mobil and Valero.

Supreme Oil, which began as a small family-owned business in Arizona seven decades ago, grew to \$250 million in revenues in fiscal 2004. That's up from \$110 million in 2003. The company, which has changed hands several times since its founding, has survived

and succeeded in an extremely competitive, tightknit industry.

Making A Change

Last year, when one of Supreme Oil's two remaining partners, Dale Mahan, retired, the CEO had to make a decision to either sell the company or fuel efforts to play in the big leagues. Co-owner and Chief Executive Officer Garth Davis chose the latter.

"I have a lot of good years left in me and I wasn't ready to hang it up," Davis said. "We were confident we could grow the business."

The first thing Davis and his management team did was change Supreme Oil's business model — one that hadn't been altered in 10 years. The company created an operations department to handle customer problems, freeing up its salespeople to solely generate new sales and business.

That strategy has certainly worked for Supreme Oil, but the company, like the rest of the industry, still faces obstacles. For one, today's price for a barrel of crude oil is about \$65, compared with \$24 five years ago, said Davis, who has been in the oil business since 1984. Finding a way to cut oil demands is key to survival in this industry, he said.

"The margins for gas stations and distributors like Supreme Oil and for refining companies over the last 15 years haven't changed much. We work with a fixed price per gallon because of

competition," he said. "To offset additional expenses, we're becoming more efficient as an industry and finding better and cheaper ways to do things."

Finding Alternatives

With the price and demand for oil products around the world going through the roof, Davis said fuel resources will become even more scarce in the coming years.

Due to oil supply limitations, Supreme Oil is exploring the use and sale of alternative fuels such as bio-diesel, which is made from soybean oil. The company currently sells bio-diesel fuel.

"These alternative fuels are in their infancy stage right now, but there are a lot of forward looking companies getting involved," Davis said. As the price of petroleum goes up, the interest in other products climbs as well.

"At this point it's not generating a profit for us but we're looking at what the next generations of products will be and we try to be on the cutting edge of the future industry," he added.

Despite the uncertainty of future oil supplies, one thing's for sure — this industry is recession-proof, Davis said.

"It's a good industry to be in; it's a good, solid business," he said. "Our plan is to continue to grow our market share in San Diego and in different regions."

Andrea Siedsma is a freelance writer living in Encinitas.

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Client Shop: Company's Rapid Growth Forces It to Move to Larger Offices

Continued from Page 4

Client Shop grew at such a rapid pace that after moving the business out of his house to a 1,500-square-foot office in the second year, just three months later the firm had to rent a second 1,500-square-foot facility to keep pace with the growth.

Yet, with 3,000 square feet, it still didn't suit the company's expansion, so in August of this year Client Shop moved into a roomy 20,000-square-foot location in Carmel Valley.

Carder said the key to his success is made up of three factors: the passionate and intelligent people he surrounds himself with; his constant way of looking to improve operations and finding new ways to redefine and regenerate business; and his continuous tracking of measurement, which enables him and his staff to identify opportunities and areas of improvement.

The company's success, he says, comes because of his colleagues.

"I have a clear understanding of my strengths and weaknesses, and I recruit people who can help my weaknesses," Carder said.

After the company started picking up pace, Carder recruited four top executives from well-known companies to



Melissa Jacobs

With hard work and dedication, Client Shop, Inc. grew from one to 60 employees since opening in 2002. CEO Jon Carder said he anticipates having 300 workers within the next 18 months.

help carry out the growth of the firm. Executive Vice President of Sales Justin Fornal came on board in 2003 with nine years of business experience with high-tech companies such as Collegeclub.com, which was acquired in 1999 by Student Advantage. Since then, Fornal has been responsible for developing sales systems that have helped triple revenues in the last six months.

Chief Financial Officer Frank Asaro

joined his team in 2004 from Union Bank of California's corporate banking division, where he served as a vice president. Carder then added Chief Operating Officer Jordan Glazier and Senior Vice President of Marketing and Strategic Planning Paul Ramirez in 2005. Glazier had been senior director and general manager of eBay Business, and Ramirez had various executive positions before joining Client Shop.

Carder also has four people on the

advisory board that he meets with monthly to help him employ the best people and make the right decisions.

Client Shop recently helped its 1 millionth customer receive free quotes and has more than 300 service professional clients, which Carder said includes Fortune 500 companies.

As for the future, Carder hopes that by the end of 2006 Client Shop will have reached 2 million customers served.

Chassis Plans: San Diego Business Achieves Record Month for Sales

Continued from Page 10

by Dave Lippincott, a founder and vice president of engineering at Industrial Computer Source, once a household name in the industrial computer industry before it was purchased by an info-tech equipment supplier, Kontron.

Lippincott left ICS intent on forming Chassis Plans, a company that would design, but not build, "ruggedized," rack-mount computer systems. In 2001, Steve Travis was brought in as Lippincott's partner and clients began to demand that Chassis Plans become a one-stop shop, supplying not only the design, but the fabrication of the chassis as well. This would eliminate the need for the customer to shop around for a separate manufacturer. Seeing an opportunity in a slowly growing industrial computers market, Chassis Plans added this service along with system integration and testing.

Computer systems designed by Chassis Plans need to be able to withstand extreme stress in terms of climate as well as wear and tear. Chassis Plans could almost be viewed as a rebirth of ICS with similar employees, products and services offered.

Lovett stayed with ICS as chief information officer until it was sold to Kontron in 2001. In late 2003, Lippin-

cott called Lovett for assistance when Chassis Plans received a large order.

"After that, he asked me to stay on as president and CEO," said Lovett and, in January 2004, he accepted.

Successful Formula

Since Lovett has come aboard, Chassis Plans has continued to hire a mix of new faces as well as a number of former ICS employees, a formula Lovett directly links to his current company's success.

"We're not only working together again, but we're working in the exact same industry," said Lovett. Chief Financial Officer Kathleen Winer and Vice President of Business Development Dan Barker were two of those previously employed with ICS who Lovett quickly hired after taking the reins at Chassis Plans.

While at ICS, Lovett, Lippincott and their former co-workers experienced years of doubling and tripling revenue growth. Now, with many of the same employees from ICS working at Chassis Plans, their current status with 593 percent growth from 2002 to 2004 hasn't surprised them.

"We knew it was possible; the industrial computer equipment market is between three-quarters of a billion to \$1 billion and we could just sense there was opportunity for someone to race to the front of the pack," Lovett said.

"You can come with a very specific

requirement and we can create a chassis for it," said Lovett, noting that sources of demand have changed within the market.

"Twenty years ago, factory automation provided our biggest customers, but now, it's switched to homeland and domestic security, telecommunications and defense."

Competing In A Slow-Growing Market

The dramatic growth Chassis Plans is experiencing is in contrast to the slowly growing industrial computer industry.

"We knew we could grow just by taking market share ... so we've set out a plan to grow as rapidly as possible," said Lovett.

While rapid growth carries as many dangers as it does benefits, Lovett is comfortable with the dangers and confident that his long-term strategic planning will prevent cutbacks, layoffs and an early plateau of growth.

"We do our due diligence; Kathleen has superior financial management capabilities and we model different growth rates to see what would happen if we took off or if we took a hit," Lovett said.

"We know how big of a building we'll need (if we have to hire more employees) and we factor in costs. We can look out two or three years and visualize a larger business. I keep an organi-

zational chart that goes out two years with blanks in positions that will need to be filled. In the back of my mind, I know what that path is going to be."

As it stands, Chassis Plans has no cause for concern, achieving a record month in August with sales that exceeded more than \$1 million in shipments.

ICS Recognition

"Our ICS background bolsters our reputation and when (industry familiars) hear that ICS people are heading up the management team, they think, 'These people know what they're doing,'" Lovett said humbly.

Though they were not heavily marketed, ICS and its employees built a name in their industry that is now synonymous with growth and success. The name has also made recruiting significantly easier.

"The gentleman who runs our integration group is married, has two kids and a mortgage," Lovett said. "He left a secure job because he knew us and knew what we were capable of doing. To see someone trust you to that degree is humbling.

"If there's a secret to my success, it's building a team of extremely talented individuals that share a common passion and vision for creating a successful company, and that's the reason for (our) growth: incredible teamwork."