

100 Fastest-Growing Companies, 2009

July/August Issue

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The economic pillars of the business world have fallen, but HispanicBusiness Magazine's 100 Fastest-Growing companies have figured out that the recession need not be insurmountable.

Despite the economic climate, the entrepreneurs behind these businesses continue to grow, posting major gains in revenue during the last five years.

While no company is entirely insulated from the downturn, businesses on the fastest-growing list have found a way to immunize themselves from the worst of the recession and even capitalize on the missteps of other companies.

At the top of this year's list is MicroTech, a Virginia-based information technology company that has grown from \$1.4 million in revenue in 2004 to \$39.1 million in 2008.

The list includes a plethora of information technology, construction, and service companies, many of which have also enjoyed success largely because of federal and state contracts.

MicroTech, which went from 45 employees in 2004 to 250 last year, provides IT services to more than 60 federal agencies. They include the Social Security Administration (SSA), Federal Aviation Administration (FAA), and the U.S. Army, Navy, Air Force, and Coast Guard.

"We understand the business of government," said Tony Jimenez, CEO of MicroTech. "We understand commitment and we understand the importance of treating a customer how you want to be treated. I'm not sure we can continue the growth we're at now, but I don't think we're going to slow down a lot, at least not in the near future."

Service Sector Tops List

Of the 100 companies that make up the fastest-growing list, the largest sector is the service industry, with 45 companies. Construction is next on the list with 22 companies, followed by the wholesale industry at 12.

These three sectors produced nearly \$6 billion in revenue in 2008.

In terms of geography, Texas and Florida are still the powerhouse hubs for Hispanic entrepreneurs, tied with 20 companies each in the Top 100.

But California is also well represented, with 17 companies on the Top 100.

No. 2 on this year's list is Los Angeles-based Sensis, an interactive advertising company that focuses on placing ads in both digital and print media formats.

Sensis' revenues have grown from \$347,000 in 2004 to \$7.4 million in 2008.

The company's growth can largely be credited to a shift in spending patterns and values in corporate America. As businesses have shifted their advertising spending from print to online platforms, companies such as Sensis have reaped the rewards.

While some ad agencies target Spanish-language advertising, Sensis is among a growing number of U.S. Hispanic-owned firms that offer a more sophisticated advertising plan, targeting Hispanics in both English and Spanish.

The ability to reach key demographics in targeted markets has helped fuel the growth.

"With digital advertising, you have the advantage of trackability," said Sensis President Jose Villa. "You have the ability to reach so many levels. We can reach a 25-to-34-year-old who is English-dominant living in a certain town. For every dollar spent, clients want to see results."

From a broader business perspective, the company has advanced its growth rate by seeking new clients.

"You have to stay aggressive with new business," Mr. Villa said. "We have pretty much invested all of our profits in aggressive attempts to reach new business."

The company's top accounts include Sempra Energy, the U.S. Army and United Healthcare.

Foreclosures Boost Business

In some instances, companies must push a proactive agenda and reach out for new business. But for others, new business comes to them.

Take Realty Marketing Association Inc., based in Las Vegas. Founded in 1998, the company in 2004 had \$484,000 in revenues, rising to \$8.9 million in 2008.

A wave of home foreclosures across the country has provided a welcome boost for the company, which is No. 3 on the list of fastest-growing companies. As a contractor for the federal government, the company steps in when a bank seizes property.

Owner and founder Felix De Herrera said landing federal contracts is the best way to spur growth for a company.

"Government contracting has really allowed me to grow from where we were in the year 2000 to where we are in 2009. People should really be looking at government contracting."

A few years ago, the U.S. Small Business Administration recognized Realty Marketing as an 8a certified company, a distinction that allows minority-owned companies to compete with larger companies for government contracts.

The company contracts with the U.S. Department of Housing and Urban Development in Texas and New Mexico. As soon as HUD forecloses on a property, the department turns to Realty.

The company evaluates the property, makes repairs, and then lists the properties with real estate brokers. With total home foreclosures hitting 3 million in 2008, the business of managing foreclosed properties for the federal government is increasing.

The company makes most of its money on marketing and closing fees as the properties turn over. He believes that business will continue to boom.

"There's going to be an upsurge of properties that foreclose coming in the third quarter of this year," De Herrera said. "It is an excellent time to buy properties right now."

Government Contracts

While many companies in the private sector have reduced their budgets, one sector that appears to continue its spending patterns is the federal government.

New-Mexico based GenQuest, an administrative support services company, has experienced growth because of government contracts.

With 41 employees, GenQuest, No. 10 on the fastest-growing list, has seen its revenue jump from \$487,000 in 2004 to nearly \$4 million in 2008.

The company contracts with the U.S. Department of Energy and U.S. military to provide an array of services, including workplace mediation services, executive coaching and training, and administrative and technical support.

As the state of the economy forces agencies to guard spending more carefully, they look to companies such as GenQuest to provide services at lower cost.

"We are still experiencing growth during this tough economic time, and the reason is we have the flexibility to literally go help a federal agency for six months or two years and do it more cost effectively," said Terri Giron-Gordon, president and founder of GenQuest, an 8(a) government-recognized company.

"As they decide not to bring anyone on, we can go ahead and fill those critical gaps."

The recession and pressures in the workplace have provided a steady revenue boost for GenQuest.

With layoffs so frequent stress levels are high, which leads to workplace communication problems, Ms. Giron-Gordon said. The company also provides management seminars. As companies downsize, managers need training to develop a competitive edge.

Unlike some companies, which credit their growth to the pursuit of new business, GenQuest said its key to growth is providing a high-level of service to its clients. Government agencies, Ms. Giron-Gordon said, will hire GenQuest for additional contracts if they know the services they provide are strong.

One key element to great customer service, Ms. Giron-Gordon said, is finding employees who share her vision and philosophy.

That philosophy? Keep it simple.

"We try to stay focused on our capabilities," Ms. Giron-Gordon said. "If you deliver and provide great customer service, things are going to happen."

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