

25 B.C. companies escape recession's gravity to make this year's Ready to Rocket list

By Gillian Shaw, Vancouver Sun

January 28, 2009

If there's a recession on, it's news to 25 British Columbia companies that have been named to this year's Ready to Rocket list.

Adding customers, chalking up double-digit revenue increases and hiring while other companies are letting staff go, the Ready to Rocket team for 2009 covers a wide range of products and services -- from marrying movies with social media, to tracking babies with radio frequency identification.

They all seem to have found the sweet spot in a market otherwise gone sour.

"It's essentially because these companies are small, adaptable and very focused," said Geoff Hansen, managing partner of Rocket Builders, which released its seventh annual Ready to Rocket list Tuesday.

"They fit with trends that are emerging. When you have something innovative and leading-edge, there is always a market for it."

Hansen said while the tech sector is still growing at a rate of five to 10 per cent, even in a slow economy, the companies on the Rocket list are bucking the trend with growth rates as high as 100 per cent in 2008.

"The majority of companies on our list did really well in the fourth quarter," he said. "They were pretty much immune to the effects of the economy."

Some 44 per cent of companies on the list chalked up 100-per-cent growth in the past year and 76 per cent had growth of 25 per cent or more. This year the company added an "emerging rockets" list, covering companies that show promise but with a longer range outlook for revenue growth.

"Our emerging rockets list has companies that have breakthrough potential to take off in the next three years," Hansen said.

The emerging list has companies in a number of sectors, including health care and biotechnology, clean technology, wireless, information technology, new media and Web 2.0.

The Ready to Rocket list charts companies that are just emerging on the revenue radar screen and Hansen said the median revenue is \$2.5 million Cdn. The cutoff at the bottom end is \$300,000 in annual revenue and once a company reaches \$10 million in revenue, it is no longer considered for the list.

Hansen said what the companies share in common is the delivery of a product or service that is in demand regardless of the economy.

"They are innovative, they can adapt and they are focused on areas in the marketplace," he said, citing one company on the list, QuIC Financial Technologies, that is thriving despite the collapse of several financial institutions.

"You would think for anyone selling to the financial services sector it would be an unmitigated disaster," he said. "But this company deals with risk management software for hedge funds and it is what was needed keep companies out of the trouble they got into with hedge funds."

Other areas that fared well in the 2009 list included software-as-a-service and companies that deal with products involving mobility and location.

"Having the right kind of must-have solution means that even in a weak market you are going to have very good growth," Hansen said. "The companies having the best growth have the must-have solution."

Antarctica Digital Marketing is in the software-as-a-service category with its software solution for marketing campaigns.

In the latter category, RFID (for radio frequency identification) technology can cover anything from retail goods to hospital patients and B.C. companies targeting those areas also made the grade for this year's list.

RFind Systems provides radio frequency identify and locating for assets. Guard RFID Solutions has a similar idea except it is protecting people. Among its products are TotGuard tags, tiny disposable infant tags that support alerts and alarms to help hospitals look after their smallest patients.

gshaw@vancouver.sun.com

Read Gillian Shaw's blog at www.vancouver.sun.com/digitallife

BLASTING OFF

- 40 per cent of Ready to Rocket companies received investments in 2008
- Median revenue is \$2.5 million
- Median growth rate is 50 per cent
- Average growth rate is more than 100 per cent
- Among companies on the list 76 per cent exceeded 25-per-cent growth
- Average increase in employees was 12 per cent
- Total revenue of all 25 companies on list was more than \$130 million

- The 25 companies employ more than 1,200 people
- The companies are:
- Antarctica Digital Marketing Ltd.
- Aquatic Informatics Inc.
- Avigilon Corporation
- Bycast Inc.
- Carbonetworks Corporation
- Colligo Networks Inc.
- Contigo Systems Inc.
- Digital Payment Technologies
- Fit Brains (Vivity Labs Inc)
- GenoLogics Life Science Software Inc.
- Guard RFID Solutions
- In Motion Technology Inc.
- Inetco Systems Ltd.
- Layer 7 Technologies Inc.
- MovieSet Inc.
- Neoteric Technologies Ltd.
- QuIC Financial Technologies Inc.
- RFind Systems Inc.
- RX Networks Inc.
- Sempa Power Systems Ltd.
- Sutus Inc.
- Tantalus Systems
- TenDigits Software Inc.

- Teradici

- Vivonet Inc.

ONLINE: Comment on this story at

vancouver.sun.com/business

© **Copyright (c) The Vancouver Sun**