

FASTEST-GROWING COMPANIES

The 25% club

Staffing's hottest private firms

For the past year, editors at *Staffing Industry Report* have been gathering ideas, news releases, e-mail messages and other information about fast-growing staffing companies. The list of 26 companies that appears on page 8 is the result. For years we have honored the largest staffing firms in the United States. Now it's time to honor the fleet and nimble, those who were able to achieve rapid growth from year to year in a time of tough sledding for the industry.

To make the final list, companies had to average at least 25% annual growth, adjusted for acquisitions, for the period between 2000 and 2004. The resulting list is a cross-section of the industry, encompassing all kinds of professional and commercial companies, such as medical, information technology and legal. The growth they achieved averages out to more than 50% per year since 2000, far outpacing the total industry growth in 2004 of 12%. That kind of growth is remarkable, considering that three of the five years – 2001, 2002 and 2003 – were not good ones for an industry hit by the recession, the end of Y2K activity and the dot-com bust, as well as other pressures, such as vendor consolidation.

The top 10 had average growth of a whopping 74%. It's a diverse lot, consisting of two healthcare staffing companies, an engineering specialist, and – contrary to popular opinion about the depressed IT staffing space – several high-tech contractors. All perfected their staffing expertise in bad years and good.

Several in the top 10 also put a twist on the traditional staffing model. As Simon Billsberry, CEO of No. 1 company **Kineticom Inc.**, put it, "We don't wait around for RFPs." Some, like

ZeroChaos Inc., are beating the competition when it comes to pay-rolling and outsourcing. Others started specialty divisions to capitalize on particular needs in their markets or put resources toward permanent placement when it became evident that light industrial staffing demand was waning.

Our methodology

Staffing's fastest-growing were selected from more than 60 companies that responded to our call for entries. To be eligible, a company must be privately held, have had sales of at least \$1 million in 2000 and be willing to have revenue numbers published and verified.

The ranking is based on an average of the company's percentage of revenue increase each year from 2000 through 2004. We averaged the annual growth percentage for each year to come up with an average annual growth rate. To keep things as fair as possible and get a sense of who is growing fastest organically, we adjusted revenue for acquisitions, counting only growth achieved after firms were acquired.

We verified revenue for the top 10 companies from financial statements or audits or reviews prepared by an outside accountant or auditor. Employment numbers refer to full-time in-house employees in 2004.

We hope that this special report allows our readers to continue to learn from each other and inspires more to send in their nominations when we repeat the list next year. Growth is possible in all sorts of markets. Take a look at these stories of companies who made it happen.

(See chart on following page.)

8 CoreMedical Group

Windham NH

2003 revenue: \$14.2 million

2004 revenue: \$18.8 million

Average annual growth: 53.5%

Founded: 1989

Employees: 60

CoreMedical Group has an unusual approach to retaining travel nurses: five days in the Bahamas.

"We take all of our travelers

away to the Caribbean after they have completed four 13-week assignments," explained Monique Ricker, VP and co-owner. "Forty travelers have qualified already this year for the annual trip."

The staffing company is very focused on retention of both medical professionals and its internal staff. "We have a fabulous team and aggressive recruitment programs," Ricker said. "We have a constant recruiting effort."

CoreMedical has been through many changes during its 16 years. Founded by John McLaughlin to supply occupational therapists, physical therapists and speech therapists, the company was purchased by TRS in 1996. Three years later, parent company Fluor Corp. sold the staffing unit to the original founder, now chairman, McLaughlin, along with CEO Armand Circharo and Ricker.

The company has three divi-

sions: permanent placement of nurses, radiologists and pharmacists, contract nurses (LPNs and RNs) and rehab (both contract and permanent). The company added radiology in 2004 and is adding pharmacy in late 2005, but the biggest growth area, according to Ricker, remains contract nursing.

CoreMedical's clients are wide-ranging: acute care hospitals, rehab hospitals, outpatient hospitals, rehab centers, home

(Continued on following page.)

health assignments, a large number of school systems and even prisons. The company places 1,000 to 1,300 per year in contract roles and 300 to 350 a year in permanent healthcare jobs.

It made news, and made waves, in August 2000 when it announced the launch of its international nurses program.

CoreMedical contracts with overseas providers to bring nurses into the U.S. In return for signing a two-year commitment, the nurses are guaranteed full-time employment, given green-card sponsorship, and provided with benefits, subsidized housing and payment of all exam fees.

Currently, out of 300 or so

contractors (nurses and rehab therapists), 30 to 40 are from overseas. "We're now seeing the fruits of our labor," Ricker said. "It's going to be a really big year for international."

The company has experienced 35% to 40% growth in nursing over the past year and, in a sign that rehab is bouncing back,

100% growth in rehab this year. According to Ricker, perm placement also is having a breakthrough year.

"The healthcare space is going to be a growth opportunity for the next five to 10 years," said Circharo. "We're looking forward to it." ◇

America's Fastest-Growing Private Staffing Companies (with average revenue growth above 25%)

Rank	Company	Headquarters	2004 Revenue (\$000s)	Average Annual Growth Rate 2000-2004	Staffing Speciality
1	Kineticom Inc.	San Diego CA	52,380	172.6%	IT professionals to telecom industry
2	Avail Workforce Mngt Solutions	Atlanta GA	37,500	96.0%	Commercial, professional, VMS
3	Pinnacle Technical Resources Inc.	Dallas TX	30,700	95.4%	IT, consulting, outsourcing, VMS
4	Supplemental Health Care Services	Park City UT	111,884	75.1%	Healthcare
5	The Footbridge Companies LLC	Andover MA 1	5,649	70.7%	Engineering
6	Hire Dynamics LLC	Suwanee GA	17,376	67.1%	Commercial, professional, healthcare
7	Zero Chaos Inc.	Orlando FL	89,889	63.7%	IT, payrolling, HR outsourcing
8	CoreMedical Group	Windham NH	18,756	53.5%	Healthcare
9	Dynamic Staffing Inc.	Roseville CA	15,700	49.8%	IT, search, on-site VMS
10	Resulté Universal	Dallas TX	10,547	46.1%	IT, professional
11	Genesis10	New York NY	79,582	40.7%	IT, consulting, outsourcing
12	Elwood Staffing Services Inc.	Columbus IN	45,787	40.2%	Industrial, commercial
13	Phoenix Personnel Inc.	Grand Rapids MI	15,428	40.0%	Industrial, commercial
14	Horizon Staffing Services	East Hartford CT	8,002	38.6%	Commercial, technical, industrial
15	Contract Counsel	Royal Oak MI	6,882	38.2%	Legal
16	Apex Systems Inc.	Richmond VA	119,600	33.2%	IT, professional
17	Savela Solutions	Birmingham AL	9,602	32.0%	Professional
18	Oxford Solutions Inc.	Pittsburgh PA	3,948	32.0%	Technical, on-site
19	The MHA Group	Irving TX	218,000	30.2%	Locum tenens, permanent physician placement, other
20	Diversified Staffing Group	Boston MA	11,900	29.9%	Commercial, professional, payrolling
21	Delta Medical Consulting	Dallas TX	9,223	29.7%	Permanent physician placement
22	Ascend HR Solutions	Salt Lake City UT	32,190	29.2%	Professional employer organization
23	Trinity Staffing Group	Milwaukee WI	25,218	27.9%	Commercial, professional
24	Custom Staffing Inc.	Maitland FL	21,100	27.4%	Office support, temporary and permanent
25	Alliance of Prof. & Consultants Inc.	Raleigh NC	49,289	26.5%	Professional including IT and engineering
26	Staff Management	Chicago IL	254,481	26.1%	Commercial, VOP