

Private Company Index

www.privatecompanyindex.com

ENTREX PRIVATE COMPANY INDEX CITES ONTARIO FIRM WITH TOP GROWTH AWARD

qdata Soars to 101.9% Growth, Despite Economic Downturn

Chicago, IL – June 10, 2008 – In a slowing economy, Jeff Lem, CEO of qdata, a Markham, Ontario-based firm that provides bar code scanners, printers and wireless networking, has found a way to more than double its growth.

“Start focusing on your key customers,” said Lem. “It begins with grass-roots marketing,” he added, “Get closer to your customers. Get to know them. Become part of their community.” For example, when Lem learned that several qdata customers coached their children’s sports teams, he quickly arranged for qdata to sponsor those teams. This helped with customer loyalty.

This back-to-basics approach had paid off for Lem. This past January, qdata’s revenue was up 101.9% over January 2007. The company saw \$1.2 million in sales for 2007.

These figures are tracked by the Entrex Private Company Index (PCI), a benchmarking tool that measures revenue performance of private companies in North America. An economic indicator that tracks the private sector, the PCI focuses on companies with revenues of \$1 million to \$250 million. PCI is sponsored by Chicago-based Entrex, Inc.

For its significant growth, PCI awarded qdata a “Top Growth Award” for the month of January.

Lem said he saw the economic downturn coming last September, and started implementing programs to meet it head-on. Lem attributed his company’s growth to focusing on key industries that were doing well even in a poor economy, like food processing and transportation. He also added complementary products, so qdata could sell more to existing customers.

Next, he focused on hiring good people. “My partner and I are trying to build a middle-management team of people who are experts in their areas to drive revenue and customer service. We’re trying to make sure the people that we hire are A-players, especially our managers, as they’re the ones who will grow the business.”

In addition to growing its staff, qdata is also expanding geographically, according to Lem. The company has moved into areas where the economy is better, like Western Canada. “Ontario has been hit by a downturn in manufacturing,” he said, “but out West, there’s a boom in oil, natural gas, and other natural resources.”

Lem said he chose to be part of the PCI as an opportunity to gauge how his business is doing compared to other companies its size. “It’s a great way to see what’s happening in our industry,” he said. “All the news seems to be about big companies, and small private companies are the ones growing the economy today.”

Lem advises other companies looking to grow to focus on innovation. “You’ve got to be constantly improving your products and services”. Understand your customers’ pain points and deliver solutions addressing those areas. Also customers want solutions that are low maintenance; they want to ‘set it and forget it.’ ”

“I see this economy as an opportunity to tighten up operations, get closer to our customers, and gain market share. When the economy turns around we’ll be ready and in a position to really grow profits.”



Contact:

Erika Conefry
Director, PCI
(877) 436-8739
econefry@entrex.net

About the PCI:

Published monthly, the Entrex Private Company Index (PCI) is a proprietary benchmarking tool that measures revenue performance and activity in sector of private companies with \$250 Million or less in annual revenue. The PCI is recognized by investment professionals and financial media as a leading and authoritative source on private company revenue performance.