

October 2007 Index Report

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Index of Private Company Performance Kicks off Q4 with an Energetic Climb

Chicago, IL – November 19, 2007 – October Private Company Index (PCI) data indicates that North American private companies made a strong charge into Q4. October's 939 Index reading, a PCI high, reflects a 10.5% increase from the prior month. Median revenue growth, from September to October, was over 17% -- nearly three times the monthly growth of the NASDAQ Index and significantly above the DOW which remained flat.

Fourth Quarter company performance is closely observed in both public and private markets due to an anticipated spike in consumer spending in some areas. Entrex CEO, Stephen H. Watkins, explains, "Seasonal business cycles are a reality that some companies must embrace. Depending on their products, or the nature of their work, some companies can't build and market themselves into a position that distributes their revenue more evenly throughout the year – it may simply be a matter of consumer need or sentiment."

CEO Bill Douglas says his company Essential Link illustrates that thought and understands the immense work it takes to alter a business cycle that's evolved over time. "Q4 is always the most important quarter...we've been working to spread out revenues via new service offerings and re-negotiated contracts. Through acquisition we [broadened] our solution offerings...and our customers share the desire to normalize income and expenses."

The PCI, a proprietary index launched in 2005 by Entrex, an Entrepreneurial Exchange, tracks monthly revenue trends in private sector companies throughout North America.

For Some CEOs, like Andy Bailey of NationLink Wireless, Q4 evolves into a make-or-break period only when there's an unanticipated gap between YTD revenue and year-end goals. He explains, "We ended Q3 off [from our goal] and met as a team to re-dedicate to it. We created a theme for Q4 -- Run to the Finish Line. I'm happy to say this is all working well; we ended October at 110% and have a great start to November."

Representing the counterpoint to the "Q4 craze" is Appletree Answering Services. CEO John Ratliff shares, "We are in the unbelievably fortunate position of having the majority of our clients producing recurring revenue. We rarely see a fluctuation of more than a few points from quarter to quarter." He then adds, "I really admire the CEOs who manage businesses where more than 50% of revenue happens in one quarter."

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About the PCI:

Sponsored by Entrex, Inc., the PCI is a proprietary benchmarking tool used to measure overall performance growth, and decline, in the private sector. It is recognized as the most authoritative source on sector performance by practitioners in the financial markets.

Entrex - Private Company Index
October 2007 Market Index Comparison

