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Technology, Media & Telecommunications

2008 Technology Fast 500

*Driven by instinct,
powered by success.*

Annual list of the fastest growing companies in North America

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2008 Deloitte Technology Fast 500

Research and Eligibility

The Deloitte Technology Fast 500 is a ranking of the fastest growing technology, media, telecommunications and life sciences companies in North America based on percentage fiscal year revenue growth over five years (2003-2007).

Sources for public and private companies that make the list include public company databases, Deloitte's 10 regional Technology Fast 50 programs in North America and direct nominations.

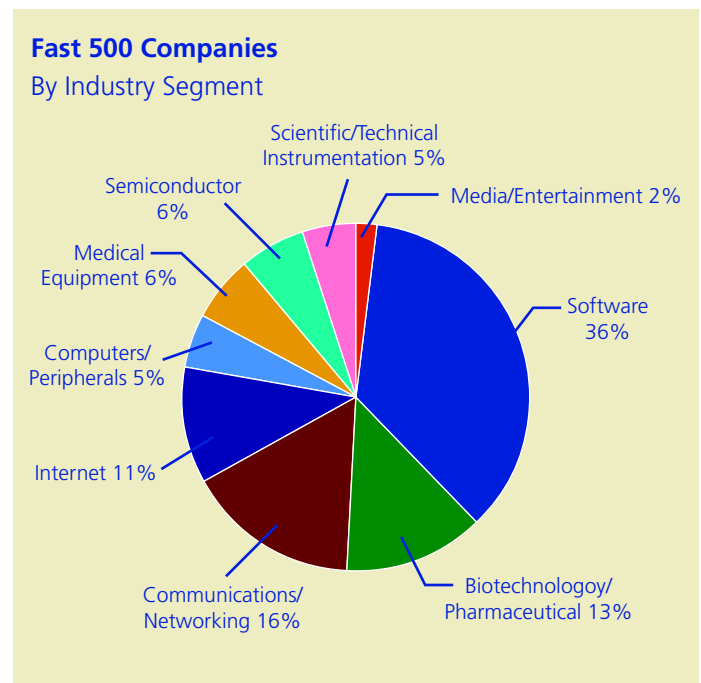
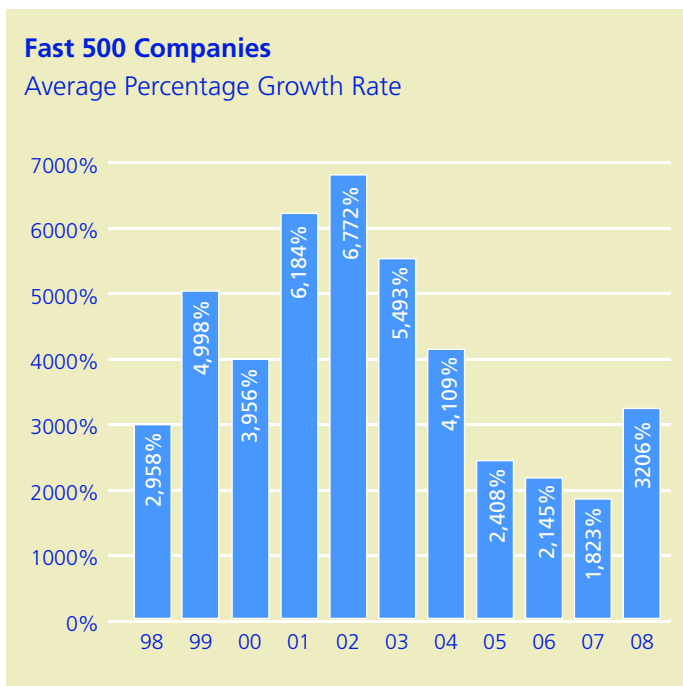
To be eligible for the Technology Fast 500, a company must meet the following criteria:

1. Own proprietary technology or proprietary intellectual property that contributes to a significant portion of the company's operating revenues or devotes a significant proportion of operating revenues to research and development of technology. Using other companies' technology or intellectual property in a unique way does not qualify.
2. Meet minimum operating revenue requirements:
 - 2003 operating revenues must be at least \$50,000 USD or \$75,000 CD.
 - 2007 operating revenues must be at least \$5 million USD or CD.
3. Be in business a minimum of five years.
4. Be headquartered within North America.

Innovation Drives Highest Tech Sector Growth Rates Since 2002

At a time when everyone is singularly focused on the economy, it might be helpful to take a step back and look at how innovation is meeting reality in the technology sector. This industry experienced its own high-flying days of giddiness with the dot.com boom, only to come crashing down. Now, after some initial struggles, technology companies are turning innovation into solid, consistent growth. And growth is what we celebrate in our 14th annual Deloitte Technology Fast 500. Indeed, 2008 marks the first year that average growth for our Fast 500 companies has increased since 2002, a growth rate that is nearly double this year over 2007.

Who is leading this charge? This year, our Fast 500 winner is Hughes Communications Inc., which experienced a growth in revenues of 138,762 percent over five years—the highest number we've seen since Google topped the list in 2004. Overall, our Fast 500 companies reached 3,206 percent average growth, up from 1,823 percent last year. Some, like Apple, Yahoo!, and Google, are brand-name industry giants whose creativity and management savvy enable them to continue to achieve high growth rates. Others are smart young companies that have launched themselves into high growth relative to where they started only five years before. It's the dual commitment to good business practices and innovation—whether you're a large established brand or a small rising star—that send you to the Fast 500 list and keep you there for years to come.



Here Come the Numbers

Our top five companies experienced an average revenue growth rate of 90,540 percent over five years, up from 41,093 percent in 2007. Revenue growth for the 2008 Fast 500 companies ranged from 241 percent to 138,762 percent, with an overall average growth of 3,160 percent, up from 1,823 percent in 2007.



Average revenues in 2008 were \$310.9 million compared with \$115.7 million in 2004. In the five-year period since the 2004 list, average revenues were \$212.7 million with an average revenue growth of 2,705 percent. In 2002, just following the dot.com crash and 9/11, average revenues were \$153.2 million and the average growth rate was 6,771.55 percent.

So, how does the Fast 500 compare with U.S. growth, or GDP, in general? In the period between 2003 and 2007, average GDP was \$12.4 billion with a rate of growth of 133,763.83 percent.

The Top Five

Hughes Communications Inc. was named the fastest growing company in North America. Hughes Communications had a revenue growth rate over five years of 138,762 percent, moving from revenues of \$699,000 in 2003 to \$970,648,000 in 2007. Based in Germantown, Md., Hughes Communications is a publicly held provider of broadband networks and services. This is its first appearance on the Fast 500 ranking.

Ticket Software LLC, a Vernon, Conn.-based privately held software company, came in second on the 2008 Fast 500 listing. Ticket Software, a company that provides software solutions for the ticket industry, reported revenues of \$83,760,000 in 2007, increasing 111,580 percent from 2003 revenues of \$75,000. This is its first appearance on the Fast 500 ranking.

Starent Networks Corp., a publicly held communications/networking company based in Tewksbury, Mass., came in third on the 2008 Fast 500 listing. Starent Networks provides networking solutions for mobile operators to provide multimedia services to their customers. The company reported revenues of \$145,797,000 in 2007, a leap of 80,008 percent from 2003 revenues of \$182,000. This is its first appearance on the Fast 500 ranking.

Abraxis BioScience Inc., a Los Angeles-based publicly held biotechnology/pharmaceutical company, came in fourth on the 2008 Fast 500 listing. Abraxis BioScience, which provides progressive therapeutics and core technologies that offer patients and medical professionals safe and effective treatments for cancer and other critical illnesses, reported revenues of \$333,686,000 in 2007, an increase of 77,682 percent from 2003 revenues of \$429,000. This is its first appearance on the Fast 500 ranking.

Pure Digital Technologies Inc., a San Francisco-based privately held computers/peripherals company, is the fifth-ranked company on the 2008 Fast 500 listing. Pure Digital Technologies, which develops simple and affordable digital imaging solutions for the mass market, reported revenues of \$54,616,000 in 2007, an increase of 44,667 percent from 2003 revenues of \$122,000. This is its first appearance on the Fast 500 ranking.

Can Large Tech Companies Also Be Fast Growers?

The number of billion-dollar companies listed on the Fast 500 continues to grow, proving that nimbleness is not at all limited to the small and the young. This year, we had 20 businesses—18 public and two private—that reported more than \$1 billion in revenues. This up from 17 last year and 13 the year before.

Who are these companies? Apple Inc., ranked number 451, reported \$24 billion in revenues this past year. It's the company's first appearance on the Fast 500. Google Inc., number 179, had revenues of \$16.6 billion. It has been on the Fast 500 list since 2004, when it was the number 1 ranked company on the list. Other top billion-dollar businesses on the Fast 500 include Genentech Inc., Yahoo! Inc., Research in Motion, Symantec Corporation, Juniper Networks, VIZIO Inc., Netflix, Inc. and XM Satellite Radio Holding Inc.

Three of the billion-dollar companies, Google, Inc., Sepracor, Inc. and Research in Motion, have been consecutive Fast 500 winners for five or more years.

Of the billion-dollar companies on this year's Fast 500, five have more than doubled their revenues in the last five years:

- Google Inc.'s revenues have increased 17 times.
- Research in Motion's revenues have increased 14 times.
- Juniper Network's revenues have increased 11 times.
- Gilead Sciences, Inc. and Biogen Idec Inc.'s revenues have increased four times.
- SanDisk Corporation, NII Holdings, Inc. and Sepracor Inc.'s revenues have tripled.

Additionally, 53 percent, or 264 companies on the Fast 500 list are publicly held, up from 52 percent, or 259 companies, last year and 49 percent in 2006. Six of this year's Top 10 companies are publicly traded.

Revving Up the Growth Machine for the Long Haul

Because the Fast 500 list measures growth, not revenues, sustaining growth year after year—even as the baseline year increases—and remaining on the list is quite a feat.

Eight of last year's Top 10 companies made the 2008 Fast 500 ranking, and four previous Number 1 companies—Sirius Satellite Radio (2007), Occam Networks, Inc. (2006), Nuvasive Inc. (2005) and Google (2004) are on this year's list. Altogether 264 of the 500 companies are repeat winners.

Our longest running Fast 500 participant? Gilead Sciences. With revenues of \$4.2 billion in 2007, the life sciences company based in Foster City, Calif., has appeared 10 consecutive years on the Fast 500 ranking. Research in Motion is a nine-year repeat winner, and OmniVision Technologies, Inc. and United Therapeutics Corporation have been on the Fast 500 list for eight years. Other billion-dollar Fast 500 companies who are repeat Fast 500 winners include Yahoo! (six times); SanDisk and Google, Inc. (five times); NII Holdings, Inc., Juniper Networks and Biogen Idec, Inc. (four times); Symantec Corporation (three times) and MetroPCS Communications, Inc., Netflix, Inc., and XM Satellite Radio Holdings, Inc. (twice).

Innovation and Growth: It's All About Risk for VCs

By virtue of being on the Fast 500 list, these companies have proven track records in the marketplace. Most started with the assistance of venture capitalists who believed in the innovative technologies and management abilities of these businesses, nurturing them as they got off the ground.

Against the backdrop of today's economy, the reality is that entrepreneurs are going to find venture capitalists tougher to win over. With companies staying private much longer than they ever have in the history of venture capital, venture capitalists are more likely to be looking for later-stage deals, in which they will have quicker liquidity.

Both early- and late-stage entrepreneurs need to understand that it's all about risk for venture capitalists—specifically technology risk, market risk and execution risk. When times are good and markets are active, a VC will traditionally be willing to take a technology risk over a market risk. These days, however, you have to add the dimension of execution. If an investment is going to require a long time and a lot of money, the ability of the business to execute is as important to the venture capitalist as the technology itself.

So, to those entrepreneurs hoping for the funding that will propel them to the Fast 500, manage everyone's expectations, including your own, and build a solid company with a long-term sustainable competitive advantage.

51-100

2008 Rank	Company Name	Primary Industry	City	ST/Prov	CEO Name
81	Libsys, Inc.	Software	Naperville	IL	Siva Yarramsetty
82	OZ Communications	Communications/Networking	Montreal	QC	Jim Knapik
83	DUSA Pharmaceuticals Inc.	Biotechnology/Pharmaceutical	Wilmington	MA	Robert F. Doman
84	Sensor Technologies, Inc.	Software	Red Bank	NJ	Michael Gualario
85	ERP Analysts, Inc.	Software	Dublin	OH	Srikanth Gaddam
86	MaxisIT, Inc.	Software	Edison	NJ	Maulik Shah
87	Doba	Software	Orem	UT	Blaine Nielsen
88	LogMeIn, Inc.	Communications/Networking	Woburn	MA	Michael Simon
89	Impact Mobile	Communications/Networking	Toronto	ON	Gary Schwartz
90	Contextweb, Inc.	Internet	New York	NY	Anand Subramanian
91	Ethertronics, Inc.	Communications/Networking	San Diego	CA	Laurent Desclos
92	BTI Systems Inc.	Communications/Networking	Ottawa	ON	Lance Laking
93	Anue Systems, Inc.	Communications/Networking	Austin	TX	Hemi Thaker
94	VIXS Systems Inc.	Semiconductor	Toronto	ON	Sally Daub
95	Diverse Lynx, LLC	Software	Princeton	NJ	Shubhendra Varma
96	BBS Technologies, Inc.	Software	Houston	TX	Rick Pleczko
97	Grankus, Inc.	Internet	San Francisco	CA	Tom Spengler
98	mValent	Software	Waltham	MA	Joe Forgione
99	Cavium Networks, Inc.	Semiconductor	Mountain View	CA	Syed Ali
100	Sucampo Pharmaceuticals, Inc.	Biotechnology/Pharmaceutical	Bethesda	MD	Ryuji Ueno