

Inc.

THE ROSEN GROUP

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Inc. Magazine Reveals America's 500 Fastest-Growing Private Companies

*~ Medical Education Publisher, MEBN, Ranks No. 109 on the 2005 Inc. 500
With Three-Year Sales Growth of 849% ~*

*~ California and Washington, D.C., Claim Highest Number of
Businesses by State and by City for Third Straight Year ~*

~ IT Services, Health, and Real Estate Sectors Lead the Pack ~

NEW YORK, N.Y., October 19, 2005 – **Inc.** magazine today released its 24th annual **Inc. 500** ranking of the fastest-growing private companies in the country. Medical Education Publisher, MEBN, ranks No. 109 on the list, with three-year sales growth of 9,720%. The **Inc. 500** can be found in the November issue, which appears on newsstands November 1.

109 Your Company's Information

The companies that made this list represent the vanguard of American industry, posting an average three-year sales growth of 769%. **Inc. 500** companies posted aggregate 2004 revenue of \$15.9 billion, and 84% of them were profitable. Most importantly, **Inc. 500** companies were engines of job growth, having created more than 95,000 jobs since the companies were founded.

The **Inc. 500** list generated 25,180 new jobs in the past year alone, a stunning 35% year-over-year increase. Compare this with the total number of employees among Fortune 500 companies, which declined in 2001, 2002, and 2003 before experiencing a 1.3% uptick of 306,045 jobs in 2004.

“When you look at the amazing job growth among **Inc. 500** companies and contrast it with the stagnation in the Fortune 500, it underscores the changing nature of our economy,” said Jim Melloan, project manager for the **Inc. 500**. “With unprecedented global competition, companies have to be able to turn on a dime and discover innovative new ways of doing business. Increasingly, it’s the smaller, agile companies like those on the **Inc. 500** that are best equipped to meet these challenges.”

The **Inc. 500** ranks privately held companies according to year-over-year sales growth from 2001 to 2004. With approximately 75% of all new job creation in the U.S. coming from entrepreneurial businesses, the

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Inc. 500 opens a window onto the companies and industries that are driving the economy forward. Over the years, the **Inc. 500** has identified the next generation of world-class companies, with Microsoft, Stonyfield Farms, Timberland, Oracle, The Princeton Review, Morningstar, Jamba Juice, Gateway, E*Trade, Intuit, and Domino's Pizza all appearing on the list before they became industry powerhouses.

The following are the Top 10 companies on the 2005 **Inc. 500**:

Rank	Company	Location	Industry Category	3-Year Sales Growth	2004 Revenue
1.	Video Gaming Technologies <i>Makes touchscreen gambling machines for casinos</i>	Roebuck, S.C.	Manufacturing	9,720.5%	\$99.8 million
2.	Merlin Technical Solutions <i>Handles software integration for government agencies</i>	Greenwood Village, Colo.	IT Services	7,978.9%	\$88.2 million
3.	Esilicon <i>Provides custom microchips</i>	Sunnyvale, Calif.	Computers & Electronics	7,088.5%	\$91.1 million
4.	ADS <i>Supplies advanced combat gear to the military and federal agents</i>	Virginia Beach, Va.	Defense Contractors	6,028.5%	\$209.4 million
5.	Bankers Healthcare Group <i>Provides working capital to medical professionals</i>	Weston, Fla.	Health	5,817.8%	\$31.9 million
6.	Meridas Capital <i>Provides mortgage financing, primarily to homeowners in the western U.S.</i>	Henderson, Nev.	Real Estate	5,575%	\$30.8 million
7.	180solutions <i>Allows Web users to download ad-sponsored games and content</i>	Bellevue, Wash.	Advertising & Marketing	5,418.7%	\$53.6 million
8.	Object Sciences (acquired by SAIC in May '05) <i>Develops customized information-processing programs for the U.S. government</i>	Kingstowne, Va.	Defense Contractors	4,939.8%	\$33.4 million

9.	Arbor Networks <i>Sells network security software and equipment</i>	Lexington, Mass.	Security	4,650.9%	\$26.5 million
10.	Options Express <i>Online discount brokerage for options and other financial instruments</i>	Chicago, Il.	Financial Services	4,370.2%	\$93.1 million

Hottest Regions

California is the state with the most **Inc. 500** companies—77, up from 67 last year. Virginia is second, with 34 companies on the list, followed by Florida (33), Texas (32), and Massachusetts (26). Virginia has the highest number of **Inc. 500** companies per capita, with 4.5 per million residents, followed by Massachusetts (4) and Utah (3.7).

For the third year in a row, Washington, D.C., is the top metropolitan area on the **Inc. 500**, with 42 companies, an increase of 13 over last year. Combined with nearby Baltimore (9), it's clear that the federal government's high level of spending is fostering substantial economic growth in the region. Los Angeles is the second-ranked metro area, with 32 companies, followed by Boston (27), New York City (25), and San Francisco (21).

The majority of the top 50 fastest-growing **Inc. 500** companies remain in coastal regions, as do most of the 50 highest-revenue operations.

Inc. 500 CEOs Weigh In

Once again, **Inc.** polled its **Inc. 500** CEOs for insights on their characteristics, attitudes, businesses, and outlook for the future. Among the most interesting findings:

- **Inc. 500 CEOs are bootstrappers:** Fifty-four percent raised less than \$50,000 before starting their businesses, with 82% turning to private equity. Only 9% used venture capital.
- **Inc. 500 CEOs are globally oriented:** Fifty-five percent favor international outsourcing. Seventeen percent are already doing it. Forty-six percent of **Inc. 500** companies have customers outside the U.S.
- **Inc. 500 CEOs are richer than ever:** Eighty-nine percent have a net worth over \$1 million and 46% are worth over \$5 million. In 2000, only 47% of **Inc. 500** CEOs were worth more than \$1 million and 15% were worth over \$5 million.
- **Inc. 500 CEOs work hard for the money:** Fifty-nine percent work between 40 and 60 hours a week. Thirty-seven percent work more than 60 hours a week. Only 4% log fewer than 40 hours.
- **Inc. 500 CEOs plan to keep growing:** **Inc. 500** CEOs plan to hire more than 17,000 people in the next year.



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Methodology

To be eligible for this year's **Inc. 500**, companies had to be U.S.-based, independent and privately held through their fiscal year 2004, and have had at least \$500,000 in net sales in the base year of 2001. In addition, their 2004 sales had to exceed 2003 sales. Companies are ranked on cumulative three-year sales growth from 2001 to 2004. **Inc.** verifies all information using tax forms and audited financial statements from certified public accountants and by conducting interviews with company officials.

Inc. 500 Online

This year, **Inc.com** (<http://www.inc.com/>) is offering readers an expanded series of online features to supplement the print edition of the **Inc. 500** (<http://www.inc.com/inc500>). Launching October 19, the website will feature:

- Interactive maps allowing for quick insight into regional and industry trends
- A complete, sortable list of this year's winners
- Slide shows of **Inc. 500** CEOs past and present

Inc., the only major business magazine dedicated exclusively to owners and managers of growing private companies, delivers real solutions for today's innovative company builders. It provides hands-on tools and market-tested strategies for managing people, finances, sales, marketing, and technology. **Inc.** is also the only publication that focuses on small to medium-size businesses, responsible for more than half the nation's gross domestic product and 70% of its new jobs. And **Inc.** looks beyond work to address the entrepreneurial lifestyle. **Inc.**, a Mansueto Ventures LLC publication, inspires and informs, with cutting-edge coverage that reflects our readers' energy, brashness, and imagination.

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