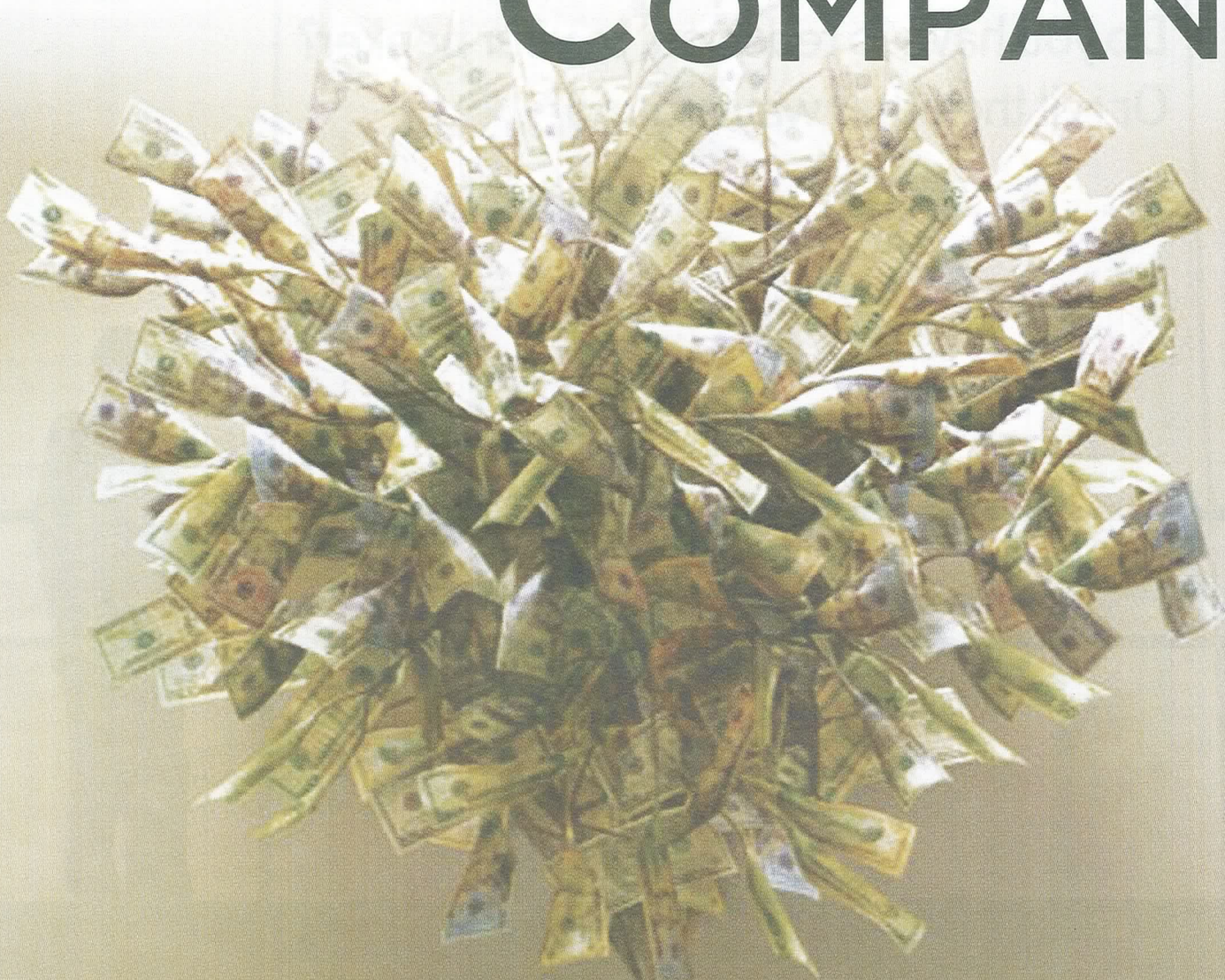


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# FASTEST GROWING COMPANIES



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## Fastest Growing Companies

# Where sales grow by leaps and bounds

BY MARLIZE VAN ROMBURGH  
Staff Writer

FastSpring's sales jumped 1,351.5 percent in three years, the kind of growth usually seen only in very young startups. Yet its executives say that kind of explosive growth may be far from over.

Santa Barbara-based FastSpring, started in 2005, works to make selling easier for purveyors of downloadable digital products such as software, PDF reports, e-books and video games. Being a player in its niche means providing the usual e-commerce tasks, such as payment processing, as well as services such as digital rights management.

Dan Engel co-founded the company, along with three others, after successfully selling a company to Google. The four founders started the firm with their own money, turned a profit a year later, and have watched it grow in leaps and bounds since, with more than 8,500 clients signed up.

"We all came from software backgrounds, and we saw an unmet need out there that wasn't being addressed," said Tim Dir, FastSpring's director of finance. FastSpring provides off-the-shelf products for e-commerce sellers so that they can focus on what they do best — developing and selling their digital offerings — rather than spend time and money building out their own e-commerce platforms.

It's turned out to be a lucrative area of the market to corner. FastSpring pulled in \$36.6 million in sales last year, up from \$11.7 million in 2009 and \$2.5 million in 2008. "We've done all of this through a bad economy," Dir said.

The company prides itself on customer service and often responds to client issues in under an hour. "We're kind of nuts about customer support. We're the kind of geeks who vendors want supporting them," Engel told the Business Times last year.

Over the past year, FastSpring has unveiled SaaS, a new subscription-based e-commerce platform aimed at software-as-a-service, or SaaS, providers.

The company operates out of a one-room office in downtown Santa Barbara, where nobody but Dir was to be seen on a recent Friday afternoon. Laid back in the tech exec uniform of Santa Barbara — T-shirt, jeans and flip-flops — Dir said the firm maintains the small offices because its employees often work from home, in coffee shops, on the road, even as far away as Georgia.

"Our guys are always on their laptops and smart-



MICHELLE WONG PHOTO

FastSpring CEO Dan Engel, left, and Director of Finance Tim Dir have led the company to quadruple-digit growth.

## #1 FastSpring

2010 Revenue: \$36.6M  
2008 Revenue: \$2.5M

Increase: 1,351.5%

CEO: Dan Engel  
Location: Santa Barbara  
Industry: E-commerce software

[www.fastspring.com](http://www.fastspring.com)

phones," he said. If a client email comes through, it's often a matter of mere minutes before the first FastSpring person jumps on it and shoots off a reply.

The firm currently has 20 employees and is "always hiring," Dir said, as it continues to grow.

Now, it's focusing on catching the larger fish in the

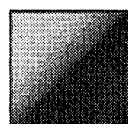
market. "We could go after a client now that could double our revenue," he said.

It's a growing market. E-commerce sales are outpacing the overall U.S. retail market, according to recent figures from the U.S. Census Bureau. Total e-commerce sales in the U.S. were \$47.5 billion in the second quarter, up 3 percent over for the first quarter and 17.6 percent year-over-year. In contrast, overall retail sales in the U.S. were up 1.2 percent from the first quarter and 8.1 percent year-over-year.

In another sign that the e-commerce space is heating up, a Boston private equity firm paid \$115 million earlier this month for FastSpring competitor Plimus. Like FastSpring, Plimus provides an e-commerce platform for companies that sell digital products, and it has a user base of more than 6,500.

"It's great to see some activity in our space," Dir said. An acquisition or initial public offering of FastSpring's stock remains a strong possibility down the road, he said, but for now the firm is focused on continued growth and new product development.

"There are new companies starting every day that can use our products," he said.



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Fastest Growing Companies

Fastest-Growing Companies

Ranked by revenue growth from 2008 to 2010

Rank	Rank last year	Company name Street address City, ZIP code	Office phone Office fax Corporate Web site	Percent revenue growth	Revenue 2010 Revenue 2009 Revenue 2008	Industry	Chief Executive Officer
1	2	<b>FastSpring</b> 11 W. Victoria St., Ste. 207A Santa Barbara, 93101	805-259-6714 n/a www.fastspring.com/	1,351.5%	\$36,578,125 \$11,700,000 \$2,520,000	E-commerce software	Dan Engel
2	nr	<b>Gold Crest</b> 650 Ward Drive, Ste. F Santa Barbara, 93111	(805) 683-9000 (805) 683-7661 www.mightybright.com	328.2%	\$12,200,000 \$10,700,000 \$2,849,000	Portable lighting	Roger Edgar
3	nr	<b>BLUE Microphones</b> 5706 Corsa Ave. Westlake Village, 91362	(818) 879-5200 (818) 879-7258 www.bluemic.com	202.2%	\$13,900,000 \$9,800,000 \$4,600,000	Music	John Maier
4	nr	<b>LEVEL, a Rosetta Company</b> 3450 Broad St., Ste. 107 San Luis Obispo, 93401	(805) 781-0546 (805) 781-0547 www.level-studios.com	182.5%	\$45,200,000 \$25,000,000 \$16,000,000	Marketing	Tom Adamski
5	3	<b>InTouch Health</b> 6330 Hollister Ave. Goleta, 93117	(805) 562-8686 (805) 562-8663 www.intouchhealth.com	177.6%	\$20,874,399 \$14,192,000 \$7,519,599	Medical robotics	Yulun Wang
6	6	<b>Mindbody</b> 4051 Broad St. San Luis Obispo, 93401	(877) 755-4279 (866) 759-7958 www.mindbodyonline.com	105.1%	\$12,399,302 \$8,117,045 \$6,046,718	Web-based software	Rick Stolimeyer, Robert Murphy
7	5	<b>Lynda.com</b> 6410 Via Real Carpinteria, 93013	805.477.3900 n/a www.lynda.com	103.7%	\$49,700,000 \$34,400,000 \$24,400,000	Online training	Eric Robison
8	nr	<b>Power-One</b> 740 Calle Plano Camarillo, 93012	(805) 987-8741 (805) 388-0476 www.power-one.com	94.8%	\$1,047,100,000 \$431,572,000 \$537,460,000	Power conservation products	Richard Thompson
9	nr	<b>Inphi Corp.</b> 3945 Freedom Circle, Suite 1100 Santa Clara, 95054	(408) 217 7300 (408) 217 7350 www.inphi.com	93.9%	\$83,193,000 \$58,852,000 \$42,900,000 <sup>1</sup>	Semiconductors	Young Sohn
10	16	<b>Laritech</b> 387 Zachary St., Ste. 102 Moorpark, 93021	805.529.5000 805.529.5151 www.laritech.com/	93.4%	\$5,973,880 \$3,902,894 \$3,089,094	Circuit board design, assembly	Bill Larrick
11	nr	<b>PaymentMax</b> 749 Lakefield Road Westlake Village, 91361	(800) 979-0210 n/a www.paymentmax.com	86.2%	\$10,800,000 <sup>2</sup> n/a \$5,800,212	Credit card processing	Tony Shap
12	nr	<b>GBL Systems</b> 760 Paseo Camarillo, Ste. 401 Camarillo, 93010	(805) 987-4345 (805) 987-5015 www.gblsys.com	72.3%	\$5,673,660 \$4,596,042 \$3,293,565	Systems engineering, software development	James Buscemi
13	10	<b>iFixit</b> 81 Higuera St. Ste. 200 San Luis Obispo, 93401	805.464.0573 n/a www.ifixit.com	69.6%	\$4,070,000 \$3,000,000 \$2,400,000	Tech repair	Kyle Wiens
14	nr	<b>Fleet Management Solutions</b> 3426 Empresa Drive, Ste. 100 San Luis Obispo, 93401	(805) 787-0508 (805) 787-0509 www.fmsgps.com	66.0%	\$8,700,000 \$5,650,000 \$5,241,000	Technology	Cliff Henley
15	nr	<b>Topaz Systems</b> 650 Cochran St., Ste. 6 Simi Valley, 93065	(805) 520-8282 n/a www.topazsystems.com	64.1%	\$41,700,000 <sup>3</sup> \$30,931,107 \$25,415,050	Electronic signature software and pads	Anthony Zank
16	nr	<b>Gateworks</b> 3026 S Higuera St. San Luis Obispo, 93401	(805) 781-2000 (805) 781-2001 www.gateworks.com	58.4%	\$5,100,000 \$4,271,853 \$3,219,000	Telecommunications	n/a
17	nr	<b>Couto Solutions</b> Cal Poly Technology Park, Building 83, Ste. 2B San Luis Obispo, 93407	(805) 540-6600 n/a www.coutosolutions.com	57.8%	\$925,200 \$550,500 \$586,400	Social software	Justin Couto
18	nr	<b>Experior Laboratories</b> 1635 Ives Ave. Oxnard, 93033	(805) 483-3400 (805) 483-5484 www.experiorlabs.com	56.7%	\$2,350,000 \$1,560,000 \$1,500,000	Telecom, Datacom, Military, Aerospace	Lorenz Cartellieri, John Kim
19	nr	<b>Semtech</b> 200 Flynn Road Camarillo, 93012	(805) 498-2111 (805) 498-3804 www.semtech.com	54.2%	\$454,502,000 \$286,560,000 \$294,820,000	Semiconductors	Mohan Maheswaran
20	nr	<b>Coastal Connections</b> 2368 Eastman Ave., Unit 11 Ventura, 93003	(805) 644-5051 (805) 644-5355 www.coastalcon.com	48.6%	\$1,416,243 \$1,001,267 \$953,003	Fiber-optics	Andy Devine
21	9	<b>Deckers Outdoor Corp.</b> 495-A South Fairview Ave Goleta, 93117	(805) 967-7611 (805) 967-9722 www.deckers.com	45.2%	\$1,000,989,000 \$813,177,000 \$689,450,000	Footwear	Angel Martinez
22	7	<b>Novacoast</b> 1505 Chapala St. Santa Barbara, 93101	(805) 568-0171 (805) 564-1809 www.novacoast.com	40.5%	\$30,900,000 \$24,000,000 \$22,000,000	Network, IT software and services	Paul Anderson
23	nr	<b>Elements</b> 1150 Laurel Lane, Ste. 115 San Luis Obispo, 93401	(805) 547-1160 (805) 547-1159 www.elementsinc.net	34.7%	\$963,127 \$856,759 \$714,829	Marketing	Jeremy LaDuque
24	nr	<b>MDR Insurance &amp; Financial Services</b> 889 Pierce Court, Ste. 102 Thousand Oaks, 91360	(805) 494-4525 (805) 494-4524 www.plannow.net	34.3%	\$1,055,279 \$870,500 \$785,515	Insurance and financial services	Mitchell Rosenberg
25	8	<b>NiMin Energy Corp.</b> 1160 Eugenia Place, Ste. 100 Carpinteria, 93013	(805) 566-2900 (805) 566-2917 www.niminenergy.com	31.4%	\$14,029,198 \$6,498,789 \$10,674,567	Oil, gas development	Clarence Cottman

Sources: E-mail, fax and phone surveys and Yahoo Finance. Notes: <sup>1</sup> Inphi's 2008 revenue figure is unaudited. <sup>2</sup> PaymentMax's revenue and employee numbers are from the Inc. 5000. <sup>3</sup> Revenue and employee figures for Topaz Systems are from 2011 and from the Inc. 5000. In the case of ties, companies were ranked alphabetically; a duplicate number in the rank column indicates a tie. nr = not ranked. n/a = not available. This list was completed in August 2011.