

Growing fast in North Jersey

These companies made Inc. magazine's list.



Diapers.com, Montclair

What they do: Internet supplier of diapers and baby supplies

Inc. ranking: 35

Three-year growth: 3,473.8 percent

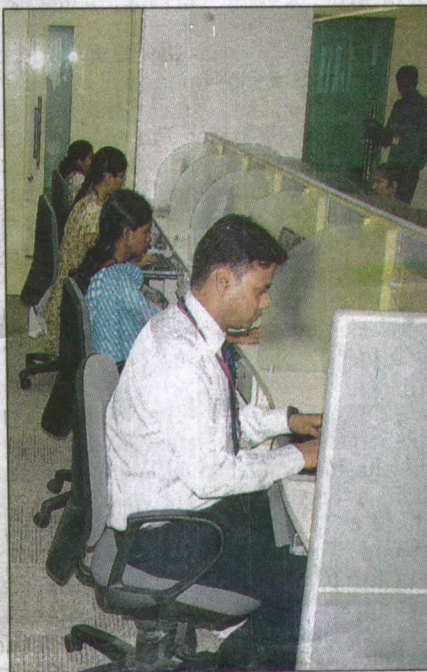
Revenue 2008: \$89.4 million

Revenue 2005: \$2.5 million

Founded: 2005

Employees: 89 in 2008, now about 150

Web site: diapers.com



GeBBS Healthcare Solutions Inc., Englewood Cliffs

What they do: Provider of medical coding, payment posting and collections for hospitals, physician groups and institutional pharmacies

Inc. ranking: 173

Three-year growth: 1,110 percent

Revenue 2008: \$5.4 million

Revenue 2005: \$442,502

Founded: 2004

Employees: 750

Web site: gebbs.com



Pfister Energy, Paterson

What they do: Design-build installer of energy-efficient and renewable systems

Inc. ranking: 343

Three-year growth: 720.9 percent

Revenue 2008: \$4 million

Revenue 2005: \$484,790

Founded: 2005

Employees: About 18, depending on work

Web site: Pfisterenergy.com

Source: Inc. magazine

A skyrocketing bottom line

Three local firms make magazine's list of 500 to watch

By **CAROL FLETCHER**
STAFF WRITER

Revenue at three North Jersey companies has surged enough over the last three years for these enterprises to be counted among America's 500 fastest-growing businesses by Inc. magazine.

"When the going gets tough, the tough show up here" is how the financial publication described the companies. Aggregate 2008 revenue at all 500 businesses was \$18.4 billion, eclipsing the prior year's total by nearly \$5 billion.

Businesses on the annual list have to show full calendar years of sales from 2005

to 2008. They must be based in the United States, be private, be for-profit and be independent as of Dec. 31, 2008.

Diapers.com, Montclair

You could call Diapers.com a one-stop shop for everything baby, with a Web site featuring products ranging from diapers and baby formula to toys, clothing, accessories and cribs.

Co-founder Marc Lore attributes the company's rapid growth to rapid-fire customer care; overnight delivery for orders placed by 6 p.m.; free shipping for \$49-plus orders; warehouses that stock all other baby products; a no-questions-

asked return policy; and e-mails answered within 20 minutes and phone calls within one.

"It's really been about our service," said Lore, who founded the business with Vinit Bharara. The two businessmen also started The Pit Inc., an Internet-based collectibles company similar to eBay, which they later sold.

Diapers.com says its prices are low because it buys truckloads of diapers directly from manufacturers, having the storage capacity to buy in bulk.

Venture capitalists who came onboard in 2006 are propelling further growth by help-

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Growing: Revenue soaring

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ing fund a \$13 million marketing campaign. Diapers.com is buying sufficient inventory, and purchase robots to aid in picking products for customer orders, said Lore.

The robots, designed by another of Inc.'s 500 fastest-growing companies, are advantageous, said Lore, because the concept is scalable: new ones can be added as new products come on line.

"It's allowed us to ship faster, cut costs for [order] fulfillment and expand product assortment," said Lore. "A lot of traditional retailers find it difficult to expand product selection because of a fixed conveyor [belt or carousel] system."

Lore and Bharara sold The Pit in 2001 to sports trading card maker The Topps Co., where Lore, Bharara and Eugene Hertz, Diapers.com's chief information officer, all had jobs before forming Diapers.com.

When asked whether there was a similar goal for this venture, Lore said, "One day, but not in the short term."

Pfister Energy, Paterson

Pfister Energy broke into the renewable energy systems world as a sister company to the Pfisterer family's 25-year-old roofing and contracting business, erecting solar heating systems on the roofs of commercial buildings.

Since its founding four years ago, Pfister Energy has moved to designing for other structural areas in what President Wayne Pfisterer calls a "holistic" approach. That includes integrating several energy-efficient components such as glass wall panels that naturally

light and heat interiors with thermal energy systems that provide hot water and heat.

"Why have solar if the building is inefficient?" said Pfisterer. "We're combining technology in order to create a much better animal by the end of the day."

Pfisterer said the business has seen fast growth from creating an information-based Web site, lecturing on greening buildings at high schools, colleges and universities, and partnering with innovative manufacturers of everything from wind turbines to geothermal energy technology. The results are branding Pfister Energy as an innovator.

The company is riding that wave and expanding nationally through licensing of its brand to contractor-owned businesses interested in installing renewable and energy-efficient energy and who are based in regions eager for green buildings.

For example, Baltimore, where Pfister Energy opened its first licensed operation in January as Pfister Energy Baltimore LLC. By year's end, the business will open others in Tampa Bay and Boston, said Pfisterer.

"By partnering with those contractors we can obviously take advantage of their existing clientele, opportunities and experience within a geographical area," said Pfisterer. "It's a good way for us to expand the brand."

GeBBS Healthcare Solutions Inc., Englewood Cliffs

In 2004, GeBBS Software Inc., an information technology provider, changed its focus, its software and its name to help med-

ical-billing companies get insurance payments owed to hospitals and doctors groups.

President and Chief Executive Officer Nitin Thakor said growth has come by investing as much as \$2 million into building the company's own computer platform and by attending trade shows — seven last year — that concentrate on hospitals and the billing companies that serve them.

GeBBS develops software that handles more client data to match a growing customer base, reducing labor costs — and overall expenses of his services, an advantage highly attractive to hospitals, said Thakor.

"Hospitals ... are losing money," said Thakor. "Reimbursements are going down by Medicare and Medicaid, so they are always looking for ways to save money. The timing of our service is appropriate."

Sales and client services are based domestically, with most of the payment appeals and paperwork issues done at three locations in Mumbai, India, he said.

Recently, the company announced two new clients — a retail pharmacy and a new institutional pharmacy serving long-term care facilities and nursing homes. The institutional pharmacy business is part of a new company focus on that expanding segment.

All growth has been organic for GeBBS rather than from buying other companies and absorbing their clients and revenues, said Thakor. He expects 2009 sales to be \$10 million and to double that in three years.

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