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## EMRT acquires CNS Digital Systems

By MARY STONE

EMRT Consultants next month will more than triple its office space, as the engineering company moves its headquarters to 1000 Pittsford-Victor Road. The move follows its acquisition of CNS Digital Systems LLC in June.

CNS' four employees have joined EMRT, bringing the number of staffers there to 22.

Founded in July 2002, CNS moved into the Henrietta-based Lennox Tech Enterprise Center in January 2004. The company, whose business focus is on system integration, process management and custom software development, specializes in open-source technology.

The move and the acquisition are part of a wave of change at EMRT that began late last year, when the company appointed Kenneth Peters, a former Lighthouse Solutions LLC and Qestra Corp. manager, as its new CEO. He took over the post from EMRT managing partner Steven Unke.

In May 2004, EMRT began a trial merger with professional placement company Rochester HR Solutions & Alliances, bringing EMRT's staff from 30 to 70 by the end of 2004.

But this April, EMRT ended its relationship with the placement company, Peters said.

"After I joined in December of 2004, we spent four months evaluating our long-term strategy, particularly where the recruiting capability from RHRSA fit into our plans," Peters said. "We ultimately decided that RHRSA was not critical to our future success so we made the difficult decision to end our joint venture."

"It was going to be an acquisition merger at some point down the road," RHRSA president Joseph Koval said. "We didn't want to force the situation, and it didn't seem that it made business sense—it just didn't seem to scream, 'This needs to be one company.'"

"Although it was difficult to work through this transition that reduced our head count by 50 people, we felt it was best for EMRT," Peters said, adding that the relationship ended amicably.

The recent addition of CNS is meant to round out the offering at EMRT, which focuses on end-to-end software engineering.

"The analogy I like to use is a car. You drive your car, you fill it up with gas—just like you jump on the Web," Peters said. "You've got companies out there that bang out these Web sites for you, you know, change the oil for you.

"These guys rebuild motors—that's what CNS does. They're the guts of what's going on."

EMRT has a similarly concentrated focus by providing software engineering over software programming.

"We call it end-to-end software engineering. We don't do programming; we don't do IT work; we don't do coding. We do engineering," he explains.

Created in 1995 as a wholly owned subsidiary of Dot4 Inc., EMRT was spun off as a professional services firm in 1998. The company combines embedded-software services, software systems outsourcing, consulting and project management services.

Peters said the company expects to log around \$3 million in 2005 revenues.

CNS Digital CEO James Cotter said talks with EMRT began more than a year ago. Negotiations began in January, and the deal was signed on June 6. Terms of the deal were not disclosed.

Joining EMRT was a cultural and technological match for both companies, he said.

"There was a lot of resonance in what we had to say to each other," Cotter said. "It became clear to the partners at CNS that we were going to have a greater opportunity with EMRT than we were going to have without them, particularly in the end-to-end engineering space.

"We're constantly being asked for broader and broader offerings," he added.

EMRT will add a half-dozen customers to its customer list as a result of the CNS acquisition, bringing the number of EMRT's current customers to about 17.

EMRT's clients include Xerox Corp., Eastman Kodak Co. and its NexPress Solutions Inc. subsidiary, and Agilent Technologies Inc.

Now, EMRT is preparing to move from its 1,100-square-foot space in Linden Oaks to a 3,693-square-foot space on Pittsford-Victor Road. EMRT will be leasing a corner of the free-standing building from the Widewaters Group Inc., which now is working on a \$30,000 facelift as part of the leasing deal.

With two conference rooms, a reception area and a shared training facility, the new location provides what EMRT has been looking for: a home where it can implement a new and unified brand identity.

EMRT was looking for space where signage could be posted to reinforce the company's identity for the public and for EMRT's employees too.

The company has been working to revamp its brand image while integrating CNS. EMRT is working with David Wright at Pittsford-based agency IDU Inc. to redesign the company's Web site and other branding materials.

The idea is to reflect EMRT's value-based approach, which seeks out large, highly technical contracts.

The company has been successful in finding its technology-savvy customers by word-of-mouth, which has resulted in a list of clients who seek more seamless and better connected systems, and who are willing to pay the price for high-value engineering.

As a result of some well-connected sales networking, Peters said the company does not send out a lot of proposals. Every proposal the company has made so far EMRT has won.

*mstone@rbj.net / 585-546-8303*