

21CSI[®]
21ST CENTURY SYSTEMS, INC.

The Decision is Black and White[®]



Communication and Technology in Rural Areas

Presented to: EPSCoR Conference

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Company Profile

Entering its eleventh year 21CSI has experienced a 3-year 536.2% growth rate and has 140 employees in nine states supporting government and private-sector clients.

- Over 50 Phase I, 25 Phase II, and 30 Phase III SBIR Contracts
- 100% DoD SBIR Commercialization Index
- 2005, 2006 & 2007 Inc.500/Inc.5000 Inductee, ranking of the fastest-growing privately held companies in the US
- 2006 Deloitte Fast 50 and the Deloitte Fast 500 awards
- 2006 Tibbetts Award which recognizes significant achievements involving technological innovation related to the federal SBIR Program
- Featured in the Navy Transition Assistance Program's publication, "Profiles in Success" in 2006.
- Selected by the University of Nebraska as the sole winner of a 2007 award for work in the fields of information science, technology and engineering.



Nationwide Rural Operations

- McCook, Nebraska 11 employees
- Fort Leonard Wood, Missouri 11 employees
- Bremerton, Washington 12 employees
- Honolulu, Hawaii 14 employees

The operational model used in McCook is used for all rural sites.



Rural Operations Overview

McCook, Nebraska –

- Total 11 employees, including:
 - Project Mgmt – 1
 - Software Eng – 9
 - Customer Service & Administrative – 3
 - (some personnel have multiple roles)
- Total McCook payroll (2006 annualized) \$409,000



McCook Operations

- Established August 2004
- Located at McCook Community College (MCC)
- Multi-Mission/Multi-Discipline Operations:
 - Deliver Global Customer Technical Support for 21CSI's Software Products (24x7 Basis)
 - Member of Distributive Software Engineering Team
 - Houses 21CSI Data Storage and Disaster Recovery



McCook Operations (cont'd)

- Provides direct software development support for Army Space Command & Control project – JAWS (Joint Awareness Warfighter Space)
- Active Community Member:
 - Assisted with Development & Establishment of Univ. of Nebraska's "2+2" CS Program
 - Sponsor Scholarship and Internship programs
- Advantages to community:
 - Providing new technology jobs
 - Attracting young, college-educated individuals and families to the area
- Growth exceeds current office space



Commitment to Rural Ops

Rural Education:

- We collaborate with Community College to expand Associates Degree credit transfer
- Community College Specialized Curriculum
- Our interns get college credits

Rural Employment:

- McCook interns work at the Omaha office while completing their degree and then return to McCook
- Provide employment opportunities for those who attended college and did not complete their degree
- Employee assistance program
- Diversified work – Remote backup, help desk, other profit-center activities
- Incubation center to foster other new businesses



Commitment to Rural Ops

Incentives

- Provide incentive to Community College in creating new technical training and curricula
- State incentives for initial hiring provides opportunity for Low-Middle Income (LMI) families

Collateral Effects

- Brings highly educated young professionals to McCook
- As direct employment grows and attracts new residents, indirect employment follows to provide goods and services
- Overall economy grows in surrounding areas



Keystone Technology Center





Rural Economic Impact

- 21CSI will have room in the Keystone office to employ a total of 32 personnel.
- Additional 20 secondary jobs created in the community.
- Total output effects of the project, including the direct, indirect, and induced effects, estimated to be \$3,735,500.
- Estimated annual employee compensation, including payroll and benefits would directly increase the value of total economic output for the area economy by \$2,800,000.
- Total Indirect Business Taxes (IBT) are estimated to be \$115,600 annually, including the direct property taxes and the secondary indirect business taxes effects.
- Total retail sales for the McCook area economy would be expected to increase by an estimated 39.9% (or \$707,100) annually.