

Technology firm's revenues still soaring

Avani Technology Solutions is moving to new headquarters

By KERRY FELTNER

After nearly doubling company revenues last year, Avani Technology Solutions Inc. is ready to grow its top line by another 50 percent in 2015. The tech firm is in the right industry for dramatic growth, its leaders say. "It's changing, so as long as we stay focused on technology we take advantage of (the changes). There's so many opportunities. If something changes, it's a huge opportunity again," said Sameer Penakalapati, CEO and president of the firm. The company is an information technology provider that specializes in software development, custom software so-

Avani Technology Solutions Inc.

An information technology provider that specializes in software development, custom software solutions and providing IT professionals.
Year founded: 2008
2014 ranking: 46
Top executive: Sameer Penakalapati, CEO and president
Current employment: 135 (30 based in Rochester)
Headquarters: Rochester
Website: AvaniTechSolutions.com

lutions and providing skilled IT professionals to customers focused in the areas of mobility, Web applications, security testing and enterprise computing. The firm also has a cloud-based product. The firm's revenues surged last year to \$12 million from \$7.4 million in 2013. The company expects to reach \$16 million to \$18 million in 2015. A large driver was Cloud Human Capital Management Solution, a new product based in the cloud and mobile space. It automates the entire workforce from hiring to managing employees, officials say. The company worked for two years to roll out the product, which was launched last year. Penakalapati formed the company in 2008 but did not start business activity until 2010. He started with roughly seven employees. Mitch Meller, who had worked with Penakalapati previously,



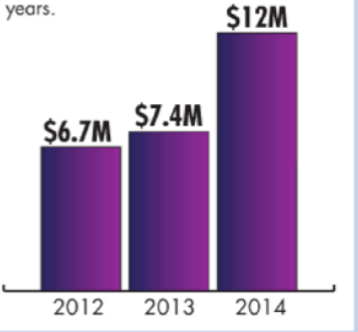
The firm's product life cycles, once four to six years, have shrunk to six months to a year.

joined the firm as vice president of IT services two years later. The team will occupy a new 43,000-square-foot headquarters by the end of this month down the street from their current office on Weiland Street. Avani's new home is at 687 Lee Road in the business park the firm owns. "I think this is a hub for us because there are a lot of clients locally and in New York City, New Jersey, Connecticut—the tri-state is close by," Penakalapati said. "We also are working to do business in the Maryland-D.C. area, so it's a convenient location." The company operates in 12 states with 30 percent of its business based in New York.

"These days nobody is willing to pay \$3 (million) to \$4 million for software and another \$3 (million) to \$4 million for customizing the solution," Penakalapati said. "Those days are gone." Avani employs 135 staffers with 30 based in Monroe County. The rest are spread throughout the country based on client locations. This year Avani expects to increase employment companywide by 40 workers. Mobile applications and the use of mobile apps by business professionals have increased dramatically over the years, company officials said. People are glued to their devices, which can be good for business productivity. "People do not stop looking at their

By the numbers

The company's revenues have grown nearly 80 percent in the last three years.



mobile phone," Penakalapati said. "You won't sit idle, you respond, you'll be more productive (and) nobody is asking you to do that. So I think you've got to embrace some of those technologies because you become more productive." Often customers need more guidance than they think in technology solutions for business. The technology moves so fast, it is important for companies not to get too comfortable, officials said. "(We want to) look at what changes are coming in the technology and add those quickly and build the solutions around that," Penakalapati said. "I think there's one great saying, 'People don't know what they want. Show them what they want and they'll buy it,' (from) Steve Jobs." The firm's product life cycles used to be four to six years; now, life cycles are six months to a year. A growing concern is security after major breaches to large corporations nationwide, Meller said. The firm is positioning itself to predict the industry's movement. There is no slowing down and that is a great thing, Penakalapati said. "It is getting more and more safe to host data and applications on the cloud and we are taking advantage as the market's growing," he said. "It's going to explode into that space, and we want to be the forerunners into the market." kfeltner@rbj.net / 585-546-8303 The Rochester Top 100 program is presented by the Rochester Business Alliance Inc. and KPMG LLP. Launched in 1987, it recognizes the fastest-growing private companies in Greater Rochester. The 2015 Rochester Top 100 event will be held Nov. 4. For more information, go to rochesterbusinessalliance.com.