

### Paragon Solutions—Exit Strategy

Number 1 in a series

*When an entrepreneur considers her long-term goals, it's not unusual for her to dream of selling her business and enjoying a lush retirement. Business experts say that business owners should have an exit strategy from the beginning, but only 44% of all business owners have one at any stage of business. To make a retirement dream a reality takes extensive and thoughtful planning.*

#### History

Paragon Solutions was founded by Sue Parker and Deb Ferlic three years before they came to PowerLink. The rapidly growing Oracle consulting and software sales company was projecting \$1.5 million in gross sales, a 60% increase from the previous year. Its varied client base included manufacturing, technology, communications, business, finance, government and healthcare companies/agencies.

#### Primary Goal

The owners' primary goals were to grow to \$5 million and to develop future strategic options.

#### The PowerLink Advantage

PowerLink advisors forced Parker and Ferlic to devote time to thinking strategically and shared tactics about how to do that. The panel guided owners in planning, sales, marketing, finance

and human resources. Based on their extensive and varied professional experience, advisors gave Parker and Ferlic fresh perspectives that the owners were able to apply to Paragon's unique environment. The panel advised Parker and Ferlic to start thinking about an exit strategy.

#### Results

After completing their panel year, Parker and Ferlic created a formal Board of Directors that included some of their PowerLink advisors. The owners decided their goal was to sell their business and develop an exit strategy. Only two years after the end of their PowerLink panel, they had grown their business to \$4.5 million and sold it to The Summit Group. Recently the two retirees started a consulting company, PS2 Engage, and they hope to get the new company involved with PowerLink.

#### Paragon Solutions

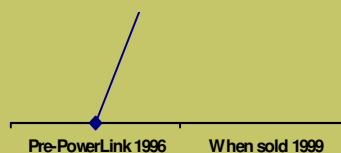
First year of business: 1993

PowerLink year: 1996

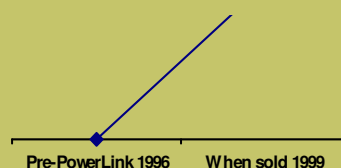
Year of Sale: 1999

#### Progress

Revenue Increase—423%



Employee Increase—133%



#### About PowerLink

"Paragon was proof that a PowerLink panel can not only accelerate a company's growth, but also provide the owners with valuable business contacts, good friends and life-long mentors."

"We clearly saw the benefit of an advisory panel and feel that PowerLink can assist any business with management open enough to accept and utilize their feed back."