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The logo for Crain's Cleveland Business. It features the word "CRAIN'S" in a small red box above the word "CLEVELAND" in a large, black, serif font. Below "CLEVELAND" is the word "BUSINESS" in a red, sans-serif font.

## Smooth move

*Software provider sets date for relocation, plans to shore up client base with acquisitions*

By **CHUCK SODER**

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The new headquarters that Computer Systems Co. is building in Strongsville could open the door to more growth for both the business process software company and the city.

The company, which does business as CSC Group, plans to move into the 48,500-square-foot building in mid-October, more than three years after it bought the property on Foltz Parkway, said CEO Bill Zimmerman.

Moving into the new building, which is more than twice the size of the company's current headquarters in Brecksville, is just one part of CSC Group's expansion plans.

The extra space will give CSC Group room to hire more people, Mr. Zimmerman said. The company, which provides administrative and clinical software to the health care industry as well as document conversion services to various clients, also has three possible acquisitions under letters of intent.

One is a software and services company, and the others are software products. Each would involve transferring new customers to CSC Group.

"We're looking for the next growth spurt," he said.

The move was delayed by two years as CSC Group secured financing for construction costs, which should come in below \$6.5 million, he said.

The project could trigger more growth near the location, said Strongsville economic development director Gene Magocky. The city is once again looking for a real estate brokerage to help it market property on the south side of Foltz Parkway since CSC Group is moving in, Mr. Magocky said.

The city began marketing the heavily wooded, 180-acre property south of Drake Road, part of the Strongsville Business and Technology Park, to technology companies and other businesses after CSC Group bought 13 acres in May 2005. At the time, however, it found no takers, which Mr. Magocky attributed to market conditions. Now the city aims to capitalize on landing its first tenant for the new section.

"That hopefully will stimulate future development there," he said.

The 220-employee company plans to move the 133 employees at its current headquarters, as well as eight employees who work at the University Hospitals Landerbrook Health Center in Mayfield Heights and

serve the University Hospitals Medical Group, a coalition of physician groups that practice at University Hospitals and teach at Case Western Reserve University's School of Medicine.

The few CSC Group employees who work on site at the Ford Motor Co. plants in Brook Park will remain at that location, as will the rest of its employees at three Michigan offices in Lansing, Livonia and Midland.

Mr. Zimmerman said CSC Group was out of room at its leased 20,000-square-foot facility, which is one reason employment levels remained flat in 2007. He said he plans to hire 20 to 25 more people during fiscal year 2009, which begins July 1.

The company's sales have been flat for a few years as well. It will post revenue of about \$25 million for fiscal 2008, which is about how much it received the previous two fiscal years. "We haven't grown significantly for a couple years," he said.

All the while, however, CSC Group "significantly" improved its profitability, said Mr. Zimmerman, who would not give profit figures.

It also found the financing that it initially had trouble locating to build the new headquarters. Mr. Zimmerman in August 2007 struck a deal with a group of investors called MRA-Strongsville LLC to help him finance construction via a holding company called CompSys Investments LLC, which the group and Mr. Zimmerman co-own.

The group invested in the building because it is being built on a scenic property in a growing area and because the group has faith in the company, said Mark Munsell, president of Beachwood-based Munsell Realty Advisors Inc. and managing member of the investment group.

"I thought it had long-term value as an investment," Mr. Munsell said.

The quest for acquisitions is new. The last time CSC Group made an acquisition was when it bought obstetrics and gynecology software company R4 LLC of Norton, Mass., in 2002.

If CSC Group completes all three acquisitions, it would add 40%, or about \$10 million, to its revenue, Mr. Zimmerman said.



CSC Group CEO Bill Zimmerman said his business process software company is looking for its next growth spurt.

*Photo credit: RUGGERO FATICA*

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