

FOR IMMEDIATE RELEASE

Software Developers Lead Vermont Out of Recession

WINOOSKI, VERMONT - April 20, 2010 – In the midst of our nation's second worst recession, the sixty-four member companies of the Vermont Software Developers' Alliance (VTSDA) created over 300 new, high-paying jobs. Between now and the end of the year, these same companies will create another 150 new jobs. These positions are exactly what business leaders, educators and elected officials say is needed to help boost the economy—high-paying jobs with a low impact on the environment.

Companies such as Dealer.com, Vermont Systems, and the Physician's Computer Company found success in Vermont by locating a niche market: a leader in Web marketing solutions for car dealers; a supplier of parks and recreation software to U.S. Military bases; a national leader in pediatric practice management software. Each of these companies plans to add new positions to their growing firms in the next year.

The 300 positions created over the last two years by VTSDA companies add over \$18 million to Vermont's economy each year. These 300 employees collectively pay Vermont over \$1 million a year in income taxes and another \$1.2 million in property taxes. Many of the companies that created these jobs work mostly with out-of-state clients, which means they are bringing money into Vermont, and then spending it here.

The sixty-four members of the VTSDA represent just 20% of the software developers in the state of Vermont and less than 10% of the companies in the creative technology sector of Vermont's economy. In other words, these 300 jobs are just the tip of the iceberg.

In addition to bringing revenue into the state, VTSDA companies continue to thrive and even grow in the midst of a recession. These companies managed to grow during a recession by tapping the creative brainpower of their staff. The average salary at a high-tech firm is over \$60,000 a year, and jobs at a high-tech firm also come with some incredible benefits, such as amazing meals, home Internet access, and even iPhones. While these benefits may sound extravagant, they allow the employees to use their time and brainpower wisely, which is why these companies are successful. By creating desirable jobs and attracting talented employees, these companies are working to make Vermont known for its technical innovation, with high-tech products accounting for 75 percent of Vermont exports in 2008.

While the high-tech industry is a fast-growing segment of the state's economy, much of this expansion can be attributed to local tech companies and entrepreneurs, not just large national companies such as IBM and GE Healthcare. Many of the high-tech firms in Vermont were started by people that grew up in Vermont. Others were founded by people who came to the state for college and decided to stay.

The VTSDA recently announced the e-Publication of “Tapping Tech,” a thirty-two page booklet that profiles 12 high-tech firms from around the state, including dealer.com, Chroma Technologies Corp, and 7th Pixel and details how these companies are maximizing Vermont’s creative brainpower to grow and thrive during the current recession. The booklet also provides answers to the questions of “Why Vermont?” “How can my daughter or son get a job or internship with one of these companies?” and “Could I really start a similar company on my own?” The booklet can be found on-line at www.tappingtech.org.

According to John Canning, the president of the VTSDA, “We hope this document will educate leaders in our state about the future of Vermont’s economy. We wanted to get it to our legislators near the end of the session so that they can take it home with them and talk about it with their friends and neighbors.”

The Vermont Software Developers’ Alliance is a five-year-old non-profit trade group that was founded by entrepreneurs, for entrepreneurs, to foster a healthy software industry in the state. Its mission has expanded to include working closely with the Vermont BioSciences Alliance and other knowledge-based industries. The VTSDA created “Tapping Tech” to tell the story of the state’s growing tech sector, which is one of Vermont’s best-kept secrets.

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If you would like more information on “Tapping Tech,” the VTSDA, or to schedule an interview with a member company of the VTSDA, please contact John Canning at (802) 846-8177, extension 5, or by email to john@pcc.com.