

## Acquiring tech wealth

### Online Technologies purchases Adia, iDigiSys

BY BRIAN HAMILTON  
bhilton@bdwbiz.com

Ann Arbor-based web services firm Online Technologies Corp. bought the remainder of local software company Adia Information Management Corp. for an undisclosed amount of cash and plans to step up its strategy of growth through acquisitions.

"We're bullish and we believe in ourselves, so we're out looking," said Online Technologies CEO Yan Ness.

Online Technologies also purchased a small Ann Arbor web development company, iDigiSys, chiefly to bring its owner, Brian Stevens, back to the company as director of technical services. Stevens, among other tasks, was interim CEO at Online Technologies just before Ness, Fred Madley and Brian Brizzard purchased the company last year.

The improving economy is a big reason Online Technologies is actively pursuing acquisitions, Ness said. Within six

years, he said, the company will register \$50 million in revenue and the owners will be able to cash out, he said.

The strategy, he said, is to grow the company half through acquisitions and half through sales. "Valuations are going up and I want to be in the field with something to sell when people get crazy again," Ness said.

With the Adia deal, Online Technologies buys Adia's key



ROBERT RAMLEY

See ONLINE, 23 Adia's Steven Heintz (right) and Online Technologies' Yan Ness.

### ONLINE, CONTINUED FROM PAGE 3

remaining product, ManagePoint, a web-based interface to Microsoft's customer relationship management software.

In addition to acquiring ManagePoint, two Adia employees will join the company, Ness said, giving Online Technologies a staff of 14.

Adia founder Steven Heintz in June sold Adia's CareNet division, specializing in Medicaid reporting software for mental health and substance abuse treatment centers, for \$2 million to Netsmart Technologies Inc. [Nasdaq:NTST] After the CareNet sale, it became clear that development of ManagePoint would require a long investment, Heintz said, and he didn't want to make a long-term commitment.

With the latest transaction, Heintz has cashed out entirely and will not join Online Technologies. He still owns the Adia name.

"I have interests outside of software and the Internet," Heintz said, without elaborating on what he might do next. Heintz founded Adia seven years ago while still an undergraduate at the University of Michigan.

Online Technologies has moved its sales and marketing operation from its offices on Green Court into Adia's space in the downtown City Center Building at Huron Street and Fifth Avenue. The space will give the company room to grow, Ness said.

Online Technologies' owners are financing the acquisitions themselves without outside investment, Ness said.

The addition of the ManagePoint product should immediately add about 20 percent to the company's annual revenue, and more by the end of the year, Ness said.

Adia was profitable after selling the CareNet division, Ness said. It had about a dozen customers for ManagePoint, which Adia priced at about \$250 per month.

ManagePoint is a certified Microsoft add-on that Ness said Online Technologies can grow dramatically through aggressive sales.

The product will be marketed to small- and medium-size companies. It can help a company offer sophisticated online customer service and account management — a service more typical of a large company — by putting a button on its corporate website. From there, customers go to a branded portal.

iDigiSys had three primary customers, including Johnson Controls Inc. Stevens, its owner, is well connected in the tech community and has a well-established network of contractors, Ness said. Stevens will manage the tech staff and "make sure orders are done on time and on budget."

"Brian has a reputation for hitting dates and budgets, which is a lot harder done than said in the software business," Ness said.