

Vertex is taking care of its workers' tykes

Peter Key

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When a software company opens a new 60,000-square-foot building with a new technology center inside, you'd expect it to do a bit of bragging about it.

Vertex Inc. is. But although Vertex President and Chief Executive Officer Jeff Westphal will gladly talk about the technology center and what it will allow the company to do, he's equally proud of the building's day-care center -- VerTykes Learning Place, which can accommodate 100 children, ranging in age from infants to kindergartners.

"We really want to be among the most attractive places for young professionals to work," he said.

Vertex appears to be successful on that front. Although it has 450 employees in four buildings in its own complex and another building across the street, Westphal said its turnover rate last year was only 4 percent.

Keeping it at that level will be crucial if Vertex wants to keep growing beyond the roughly \$70 million in sales it expects to pull in this year.

"It's one thing to say, 'Look at all these market opportunities,'" Westphal said. "It's another to know you can attract the people and have the people who can get the job done."

When Vertex was started in 1974, it had two people: Westphal's mother and father, Ray and Antoinette Westphal. (Antoinette subsequently went on to found Antoinette's Day Spa in Paoli.)

It also had two products: a book that contained every sales tax rate in the country and a data file for mainframes that had the same information.

Vertex still publishes the book. But its main products these days consist of software that calculates how much companies have to remit in various kinds of taxes and lists the various entities to which they must pay the taxes.

By teaming up with companies such as SAP AG and Oracle Corp. that provide enterprise resource planning software, as well as by the strength of its products, Vertex has made it in the door of a lot of big companies.

"Eighty percent of the Fortune 2000 corporations in the country use our solutions," Westphal said.

Because everyone has to pay taxes, Vertex hasn't seen the drop off in business that many information-technology firms have experienced this year. But Westphal said its revenue growth -- to \$70 million from \$60 million last year -- is less than the company originally anticipated.

Vertex's growth plans include developing versions of their software for small businesses and for government agencies. By doing the latter, it thinks it will also help its existing customers as their software and the software Vertex develops for government agencies will be able to interact easily.

Vertex also sees itself moving its software to the Web, first for small businesses and later for its larger customers. And it plans to work with new partners that can provide electronic funds transfer so that its customers can use their computers to pay, as well as calculate, their taxes.

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