



CONTACT: Chris Diggs
Marketing Coordinator
Hornblower Marine Services
(812) 941-9991 (office)

**HORNBLOWER MARINE SERVICES HONORED AS ONE OF LOUISVILLE'S
TOP 50 FASTEST-GROWING PRIVATELY OWNED COMPANIES**

(NEW ALBANY, Ind.) December 8, 2008 – Hornblower Marine Services (HMS) is excited to announce it has been named the sixteenth fastest growing company in *Business First of Louisville's* Greater Louisville's Fastest-Growing Privately Held Companies publication.

Companies are picked based on growth determined by their previous three-year operating sales history. Each company must average at least \$1 million in annual revenue for their three most recent fiscal years with the top 50 companies displaying the biggest percentage of revenue growth over the last two years making the list.

"Our company's growth was fueled by the shift in transportation from cars and airplanes to ferries," said John Waggoner, Chief Executive Officer of Hornblower Marine Services. "We were able to grow at an average rate of 78% over the past three years in a slowing economy because, as fuel prices increased, consumer demand shifted towards a less expensive form of transportation. Additionally, ferries give passengers an enjoyable and stress-free commute without the hassles of freeways."

HMS manages and operates vessels in Hawaii, Alabama, Florida, Delaware, Oklahoma, Washington, Japan and has most recently acquired a four-boat operation in the Caribbean country of Trinidad, which is set to begin December 18, 2008.

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Hornblower Marine Services provides marine management and consulting to state, federal and private clients in need of professional turnkey vessel management systems. We help our clients meet changing market conditions through effective and experienced cost effective solutions. For more information, log on to www.hornblowermarine.com.

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Greater Louisville's Fastest-Growing Privately Held Companies

16 Hornblower Marine Services Inc.

115 E. MARKET STREET • NEW ALBANY, IN 47150 | (812) 941-9990

Company description:

The company provides marine management and consulting.

What drove your company's growth in the past year?

In 2007 we were awarded four new projects. Also, we are seeing increased demand for ferries for commuting.

What is your company's most significant recent development?

We launched a high-speed ferry that can transport 900 passengers and 250 vehicles between Honolulu and Maui in three hours or less.

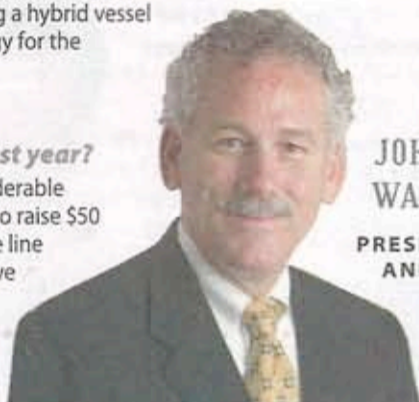
What is your company doing to be more environmentally friendly and conserve natural resources?

We are looking at using bio-diesel in some of our vessels and are re-powering several vessels with new environmentally friendly diesel engines.

We also have contacted a shipbuilder to discuss the feasibility of designing and constructing a hybrid vessel that uses diesel, electric and solar energy for the propulsion system.

What has been your toughest management decision in the past year?

We spent over two years and a considerable amount of development capital trying to raise \$50 million to launch a new overnight cruise line based in the United States. In the end, we were unsuccessful in raising these funds and the vessels were sold to a foreign company.



JOHN W. WAGGONER
PRESIDENT AND CEO



ABOUT THE COMPANY

Founded: 2001
Employees: 246
Web site: www.hornblowermarine.com

17 DRE Medical

1800 WILLIAMSON COURT • LOUISVILLE, KY 40223 | (502) 244-4444

Company Description:

DRE Medical supplies medical equipment to hospitals, surgery centers, universities, veterinary hospitals and other businesses.

What drove your company's growth in the past year?

Our international and veterinary divisions had significant growth. The weak U.S. dollar actually stimulated a huge increase in sales among clients in Africa, Europe and Canada.

How is your industry doing? What does the next year look like?

Overall, the medical equipment industry is suffering a bit. More clients are trying to cut costs by repairing broken equipment, buying less expensive products or postponing purchases.

What do you plan to achieve during 2008?

We plan to promote a new line of infant care equipment and surgical microscopes and increase our focus on turnkey projects and surgery center sales.

What's your dream job?

Charlie Vittitow's dream job is to work with third world Christian Mission teams to assist in the training of ministers to become lay dentists. Mike Spencer's dream job is seasonal — to run a combination dive/snorkel boat in the lower Antilles.



CHARLIE W. VITTITOW
CO-FOUNDER

MICHAEL L. SPENCER
CO-FOUNDER



ABOUT THE COMPANY

Founded: 1984
Employees: 64
Web site: www.dremed.com

18 Freedom Metals Inc.

1225 S. 15TH ST. • LOUISVILLE, KY 40210 | (502) 637-7657

Company description:

The company purchases, processes and sells scrap materials to mills, foundries and smelters.

What drove your company's growth in the past year?

We increased sales by increasing material purchases 50 percent and improving equipment to be more efficient.

What is your company's most significant recent development?

We doubled our line of credit to purchase scrap and developed new markets for the sale of scrap.

What do you plan to achieve during 2008?

We plan to invest \$1 million in a new baling system to process scrap copper, aluminum and brass. We also plan to upgrade our physical yard in Elizabethtown and install a computerized scrap management system.

What is your company doing to be more environmentally friendly and conserve natural resources?

We are in the recycling industry. Freedom Metals Inc. has been "green" for 25 years and continues to seek ways to improve on recycling.

What has been your toughest management decision in the past year?

This involved continuing our growth and being able to borrow the money to fund this growth. Hiring the correct type of employee has been a problem.



SPENCER BLUE
VICE PRESIDENT AND CHIEF OPERATING OFFICER



ABOUT THE COMPANY

Founded: 1983
Employees: 90
Web site: www.freedommetals.com

19 Donna Sharp Inc.

1315 CEDAR GROVE ROAD • SHEPHERDSVILLE, KY. 40165 | (502) 955-5522

Company description:

Donna Sharp Inc. designs, imports and distributes quilted products.

What drove your company's growth in the past year?

We accelerated the development of fresh new products, and we increased sales to larger customers.

What is your company's most significant recent development?

Last year we added 40,000 square feet to our facility, and we steadily added workers to accommodate increased sales and a variety of products.

How is your industry doing? What does the next year look like?

We work with "affordable luxury products." The market is shaky. We are affected by gas prices. Another challenge is to increase our share of a flat market.

What has been your toughest management decision in the past year?

We have had to decide how to respond to a changing economy and marketplace.



DONNA SHARP
PRESIDENT AND CEO

DEAN SHARP
VICE PRESIDENT, CHIEF OPERATING OFFICER AND CFO



ABOUT THE COMPANY

Founded: 1997
Employees: 43
Web site: www.donnasharp.com

GROWTH GAME PLANS

Fast 50 executives jump hurdles, guide firms to gains in tough times

Companies learn to adjust as fuel, shipping costs rise

This year's spike in fuel costs has affected many businesses, and his is no exception, said Mickey Kamer, co-owner of C&K Sales and Service Inc., which sells and services forklifts.

During the year, fuel for the company's 20-vehicle fleet that used to cost \$200 to \$500 per vehicle per month skyrocketed to about \$600 to \$1,000 per month per vehicle, Kamer said.

However, higher fuel bills are being offset a bit by a somewhat increased demand for servicing used forklifts.

Even though repair jobs are increasing, cash-pinned customers are even rationing those repairs.

"If a customer has five things wrong with their forklift, they'll try to fix two of them instead of doing it all. We call it 'band-aiding' equipment."

Companies that ship heavy equipment overseas also are being affected by the fuel squeeze.

A year ago, a customer located in Africa might have had to pay about \$3,000 to have a container shipped to them, said Kary Van Arsdale Tanner of DRE Medical, a supplier of new and refurbished medical equipment.

Earlier this year that cost basically doubled because of fuel surcharges.

"Also, there's now a shortage of containers," she added. "There are so many people outside the U.S. buying products from the United States because the dollar is so weak that it's become more difficult to find more containers to ship things in," she said in late summer.

Domestic shipping costs also have increased, she said. For instance, it used to cost about \$350 to ship anesthesia equipment to California. "Now it's closer to \$500," she said.

While higher fuel prices have not yet negatively impacted Traffic Builders, a specialized advertising agency, its effects are being felt in the automotive industry as a whole, said Chuck Patton, president of Traffic Builders.

"We do advertising for the automotive industry," Patton said and that industry is changing.

According to U.S. News & World Report, in May, the Honda Civic replaced the Ford F-150 pickup truck as the best-selling vehicle in the United States, a post that the F-150 had held almost continually for 17 years. Then, in June, the Toyota Corolla became the bestseller.

The new popularity of more fuel-efficient cars, rather than gas-guzzling trucks, has affected the entire automotive industry, Patton said.

"A lot of what's going on in our industry is all about fuel-efficiency. You need to service your vehicle correctly and improve fuel efficiency," Patton said.

"Also, small cars are getting harder to find, and they're going for full price." |



Chris Smith, president of Service Net Solutions LLC, said his company's "Gear Guard" program is used to cover products such as this fishing gear at Bass Pro Shops.

RON BATH | BUSINESS FIRST

BY LINDA ROMINE | CORRESPONDENT
Send comments to jberzof@bizjournals.com

While other companies locally and nationally are struggling in these tough economic times, the select companies on Business First's Fast 50 list have found their own magic ingredients for success in industries that are vastly different.

Through smarter strategies, diversification and niche products, Fast 50 companies not only are staying the course during the stormy economic climate, they are forging ahead of others in the local business community.

New service for retailers

Repeat business with good clients is always a goal of savvy businesses and Service Net Solutions LLC, a service contract administrator, has worked to increase its sales penetration with current clients.

"We're tied to consumer spending," said Chris Smith, president of Service Net Solutions. "As consumer confidence goes down, people buy fewer products and when people buy fewer products, fewer people buy service contracts."

A plus for Service Net Solutions, though, is that new consumers want service contracts, he said. Products are

much more technical than they once were.

"There's an increased need for service contracts. So, even though we're tied to consumer spending, we do have some consumer demand for new consumer products that are driving our business."

And Service Net is stepping up to meet that demand. "We started out a few years ago doing something other people didn't offer — coverage for accidental handling," he said. "You drop your laptop — you're covered."

Recently, the company introduced "Gear Guard," a coverage program for consumer goods such as fishing and camping equipment, GPS products and guns, with mass retailer Bass Pro Shops.

"The thing we've done that has really worked with our clients is that our service products are branded correctly," Smith said. "For example, when we went to Bass Pro Shops, we worked with a branding company to come up with the name called Gear Guard, which is now pretty recognized throughout Bass Pro Shops with their customers."

Taking advantage of trends

"The past year has presented challenges to us," said Kary Van Arsdale Tanner, vice president of global

operations for DRE Medical, a worldwide supplier of new and refurbished medical equipment. "Fortunately, our veterinary and international divisions have actually had an excellent year. We have generated a lot of new business."

"We've also weathered the storm by reminding people that we have refurbished medical equipment to offer," Tanner said. "People whose budgets are strained can come to us for the products they need."

The shifting economic tides also have created opportunity for another local company. In 2007, Hornblower Marine Services, which provides marine vessel management and ferry transportation, was awarded four new projects in Hawaii, Oklahoma City and on the East Coast.

The New Albany company operates high speed vessels to move people and cars from places such as Rochester, N.Y., to Toronto, Canada, over Lake Ontario, and from Port Everglades, Fla., to Grand Bahama Island. The company also manages conventional ferries for Camden, Ala.; Bay St. Louis, Miss.; Pierce County, Wash., and other areas.

"Our company's growth was fueled by the shift in transportation from cars and airplanes to ferries," said John Waggoner, president and CEO of Horn-

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| KARY VAN ARSDALE TANNER, DRE Medical

GROWTH | NEXT PAGE

Traffic Builders renews sales drive; Hornblower Marine looks to add ferries, cruise business

GROWTH | FROM PRECEDING PAGE

blower Marine Services. "We were able to grow in a slowing economy because as fuel prices increase, consumer demand shifts towards a less expensive form of transportation," Waggoner said.

"As congestion on our roads continues to get worse every year, there is increased demand for ferries, where our customer can relax on one of our vessels and commute in comfort without the hassle of driving their cars," Waggoner explained.

'Thinking smarter,' reaching out

Other companies may weather tough times by scaling back, but not Traffic Builders Inc., a specialized advertising agency that focuses on the service departments of automotive dealerships within the RV industry. "You've got to ... think smarter and expand your circle of influence," said Chuck Patton, president of Traffic Builders.

"It's not like we're a Fortune 100 company that's reached its max." As a smaller company, his firm needs to figure out "how we can go out there and get more business in a smarter way. So that's what we did," he said.

Patton got back to the basics and used his experience to give his sales force the resources it needed to bring in more business. He also hired more people for sales and advertising.

"We tried to 'up our risk' and do more to get the exposure we need on the assumption that maybe our competitors are buckling down the hatches and waiting for the hurricane to go through. We're more sales-centric, and even if we do tend to spend a bit more, we're going to do it where it helps us survive."

Navigating the financial maze

Another challenge faced by fast-growing businesses is the increased stringency they face when trying to borrow money from financial institutions.

"Banks are really cracking down because they're hurting," said Mickey Kamer, co-owner of C&K Sales and Service Inc., which sells and services forklifts.

"They're collecting a whole lot more information than they used to. Now, they want your first-born, signed on the dotted line, with personal guarantees," he said with a laugh.

If banks are feeling a pinch, so are the individual customers who patronize small businesses and that affects those companies. "It's harder to get things done when you have money out and people aren't paying you," Kamer said.

"Our biggest problem is collecting," Kamer said. He has taken on the dubious task of managing collections, with the average customer now running 60 days late instead of the normal 30 days late.

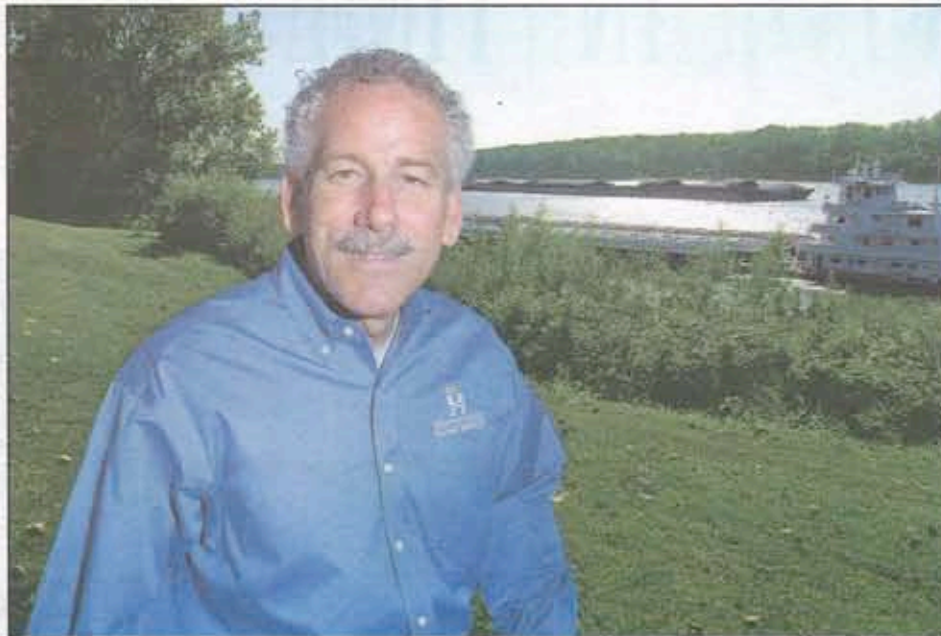
"We're putting people on payment plans and trying to work with them," Kamer said.

An increase in client bankruptcies has also hurt. "When people go bankrupt who owe you \$5,000 or \$6,000, you don't get it. You've lost all your profit."

DRE Medical has seen many competitors go bankrupt, Van Arsdale Tanner said. "We've been able to succeed with diversification and varied product lines and by having a very, very strong international division, which is over 40 percent of our sales."

Plans for future growth

The company's veterinary division also sets it apart from the rest of the pack.



RON BATH | BUSINESS FIRST

John Waggoner, president and CEO of Hornblower Marine Services, manages ferries located all over the country, including Hawaii, for both civilian and military uses. His company is located in New Albany, where he is shown at an Ohio River bank.

"People are still buying and taking care of their pets," she said. "Our name has grown in that industry as well."

DRE Medical also has a new line of incubators, or infant warmers, that it is marketing to international customers.

"The most important thing we have, even above infant care, is our focus on turnkey projects," she said, especially for owners of

new hospitals that need everything from patient beds to medical equipment.

"Obviously, that requires a lot of work on our part, but the end result is a very large order and subsequent referrals," Van Arsdale Tanner said.

Likewise, next year, DRE Medical plans to expand its staff by hiring new accounting and marketing people in each of its

sales divisions and to continue to introduce new products.

Like DRE Medical, through the remainder of 2008 and into next year, other Fast 50 companies aren't content to coast. They are planning for continued growth.

"Our plan for 2008 is to increase both total revenue and profit by 30 percent," said Waggoner, of Hornblower Marine Services. "We plan to accomplish this by taking on two new operations management contracts."

These include working with several governmental agencies in the Caribbean to establish a ferry service, he said. Currently, his company is in negotiations to serve Trinidad and Tobago, where fuel prices are not as high as in the United States.

"The government will give you the fuel or charge you a minimal amount for it," Waggoner said.

His company also is exploring a new market in the overnight cruise industry. As of press deadlines for Fast 50, Hornblower was negotiating for an overnight cruise boat that would require hiring 100 people.

Waggoner also sees future opportunities for his industry in the transportation of goods and materials as highways on the East and West Coasts become severely congested.

"There is a move to reduce the amount of truck traffic on our nation's roads," Waggoner said. "This will create a huge opportunity for those involved in 'short-sea' shipping, which is moving bulk goods via inland or coastal waterways." |

MEET THE MARKET LEADERS

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