

**EXCLUSIVE REPORTS**

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**Investors add \$2M to CST's venture funds**

Firm's software puts 'plan rooms' on Web

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For nearly two years, every Monday at Construction Software Technologies Inc. in West Chester would prompt the same question in Dave Conway's mind: Where will Friday's payroll come from?

That all changed in September 2002 when the company received a \$5.5 million shot of venture capital from a group of investors led by Cincinnati's River Cities Capital Fund.

Since then, CST has acquired a Texas company, expanded to markets in 37 states and, most recently, received another \$2 million injection of funding from principal investors.

"We're extremely excited about where we are," Conway said. "Profitability is just around the corner."

CST creates online "plan rooms" for the commercial construction industry. Where traditional plan rooms require contractors to travel to a location and view hard copies of sometimes hundreds of pages of architectural drawings and specifications for different commercial projects, CST's flagship ISqFt product allows them to do all that on the Internet, as well as print out the plans in their office.

Once online, the plans can be viewed by everyone associated with a project, Conway said. Subcontractors benefit from 24-hour, seven-days-a-week access to a multitude of jobs, and contractors can share information about a project from one source.

CST records revenues by charging for subscription-based access to the site's database.

The latest round of \$2 million, which closed late last month, will support the company's efforts to attract more clients in its growing geographic market base. That round was funded by the same group of investors from the original \$5.5 million round, along with the Tri-State Growth Capital Fund administered by Fort Washington Investment Advisors Inc.

Peter Strange, CEO of Messer Construction, is an investor, company board member and customer of CST. He said the company has done the groundwork for continued growth.

"It is such a diverse marketplace that it takes a tremendous amount of work to reach a critical mass in the marketplace," Strange said. "In the very near future, I think this is going to pick up the momentum it deserves."