

BUSINESS FIRST

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Connections give software company a quick start

Former AIC founders joined effort to create software that tracks financial information

Business First of Louisville - by [Ed Green](#) Business First Staff Writer

Jeff Reibel understands what it's like to be in the right place at the right time.

In many ways, that is why he is where he is today, running Conexus LLC, a startup software company that is preparing to launch its products in the Louisville market.

Reibel formerly worked as an auditor and consultant with accounting firm Ernst & Young LLP and as corporate controller for publicly traded Sypris Solutions Inc. He said he could not have founded Conexus if he had not worked in those jobs when he did.

Conexus develops software to help financial officers and other company accountants manage regulatory burdens. Reibel's idea for the company was built on his financial experiences and from ideas he developed while in those previous positions.

Conexus' software works with clients' existing financial software and systems and helps officials identify tasks and projects that must be completed. It also logs which tasks have been completed, along with the time, date and person who completed the task, creating a mostly paperless process.

At the time of an audit, outside firms can review the electronic log to verify that a company is taking the appropriate steps to ensure that its financial data are accurate and complete, Reibel said.

And by automating the process, a firm can save the valuable time that accounting employees typically spend making thousands of copies of documents and preparing detailed binders of financial information in preparation for an outside audit.

Advanced Imaging connection helped

Reibel said he developed the idea for the software when he was at Sypris, where he was principal accounting officer until August.

While working at the Louisville-based technology and manufacturing company, Reibel realized that many of the employees in his charge were required to spend far too much time away from their day-to-day jobs in preparation for audits.

And that time away increased steadily as a result of more stringent regulations that came with the federal Sarbanes-Oxley Act of 2002.

"All our operations and people were being taxed," he said. "It didn't make any sense to have these highly paid, skilled people making copies."

Reibel thought that if the process could be automated, accountants and bookkeepers could go back to their work.

So he developed his idea and sought help from two of his previous clients at Ernst & Young -- John P. Reinhart and Jeffrey D. Amrein, the founders of electronic records company Advanced Imaging Concepts LLC.

AIC, which was sold by its founders in 2003 to Allscripts Healthcare Solutions Inc., developed a software to manage electronic records for physicians' offices.

The company's Impact.MD system combined document imaging, scanning and management software to help eliminate paper processes at physicians' offices.

Software similar to former AIC product

Reibel said the program he envisioned was much like the one developed at AIC, only for accountants instead of doctors and their staffs.

So he sought advice from the AIC founders, who are investors in Conexxus. Reibel also enlisted the help of Jim Orms, the former vice president of operations and chief information officer for AIC.

Orms joined Conexxus as president and chief operating officer in July.

Together, the team has developed the software and obtained \$25,000 in funding from the state's Kentucky Enterprise Fund and undisclosed amounts from private investors.

The company has grown to eight employees.

So far, it has only two customers: home health care company Almost Family Inc. and an unidentified private company.

Growth, more funding expected

But the number of employees and clients is expected to grow soon, Reibel said, as the company adds sales and support staff. The founders also expect to seek about \$1

million to \$1.5 million in additional funding from state pools and private investments.

The company has begun marketing its software in the Louisville area with hopes of expanding regionally, Reibel said.

And because the software can be customized to fit any company that must complete numerous regulatory tasks and is subject to outside audit, there is a potentially large market across the United States.

"Where we go from here is all going to be dictated by how fast software sales ramp up," he said. "There are over 14,000 public companies in the U.S. alone, and that is before you even go out to the private companies that need audits," such as financial institutions or nonprofits. "I don't know how to even quantify this market."

It makes an audit a 'non-event'

Reinhart, who started his career as a CPA with a public accounting firm, is chairman of Conexus' board of directors. He said he thinks the product will be well received because it simplifies a complicated process that many companies encounter.

"I think accountants, like everybody else, they love tools that aid and help them with their jobs," he said. "As an old auditor, (I) recognize the tremendous reliability of good controls ... and this really sets the standards for controls that really govern a business' operations."

Mark McWane, director of information services for publicly traded Almost Family, said he likes using the software designed by Conexus.

Conexus used Almost Family's offices as a sort of incubator for its development, and the company now is a client of Conexus.

It is using the software in preparation for this year's outside audit, which is required by the U.S. Securities and Exchange Commission.

Before using the Conexus software, "I was the one faced with printing all the binders and getting all the binders together for an audit," McWane said, adding that it might take dozens of hours to complete that process.

When Almost Family officials did a recent "walk-through" with accounting firm Mountjoy & Bressler LLP in preparation for the annual audit, it was much simpler, McWane said.

"They came in, we sat them down with Conexus and showed them they had access to everything electronically, and we didn't have to print out anything for them in binders. ... It makes an audit a non-event."

Conexus LLC

Business: An early-stage company that has developed software to manage tasks related to compliance with the federal Sarbanes-Oxley Act and other auditing requirements

Founded: 2006, as Interactive Documentation Solutions LLC

Principals: Jeff Reibel, CEO; Jim Orms, president and chief operating officer; John P. Reinhart, chairman; Jeff Amrein, partner

Headquarters: 1302 Clear Springs Trace

Employees: Eight, including partners

Investments: \$25,000 from the state's Kentucky Enterprise Fund, plus an undisclosed amount from private investors

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