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Extract Systems

By Matthew Glen Howards

MADISON -- Jumping on to a sinking ship is not something most people would aspire to do, but that's exactly what David Rasmussen did when he took over management of UCLID, a company that provided geographic mapping solutions.

Shortly after Rasmussen became president of the firm, he changed its name to Extract Systems – but he knew that wouldn't be the end of new ideas needed to ensure the future of the struggling young company.

“We soon realized the market wouldn't support growth for just selling mapping software to surveyors, so we began to look at other ways to extend our reach,” Rasmussen said.

Rasmussen took an introspective look at the company and asked employees what it was they actually did. “Everyone originally said ‘we are mappers,’ but when they really sat down and thought about it they decided what they really do is help people move information from documents into a database,” Rasmussen said.

After careful consideration about where Extract Systems could succeed, Rasmussen came up with an interesting idea. “It turned out to be a completely different market than we thought,” he said.

The new direction was to enter the world of providing automated data entry software for the government and others. This move was a completely different idea than the original intent of the company, but Rasmussen decided that this was the best move.

“I learned that you can't be blind to other opportunities, you need to be able to adjust, and re-invent the company,” Rasmussen said.

Extract Systems began to create top-notch software designed to eliminate tedious data entry jobs. “Our software eliminates keystrokes, which can help provide a huge productivity boost for a company,” Rasmussen said. Extract Systems also designed mapping software that eliminates the need for paper files and provides an electronic version that can be accessed quickly and easily.

The company still has ties to its roots, however. Extract Systems has expertise with technology for automating data entry from land records and other unstructured documents. It develops and distributes award-winning parcel mapping software used by title insurance companies, engineering firms, surveyors, foresters, utilities, and GIS professionals in all levels of government.

Extract Systems began selling its automated data entry software in 1999 and experienced some hard times at first. One difficulty was that Extract Systems started selling shortly before the dot-com bubble burst in March 2000 and computer software companies were experiencing tough times.

“The first year was rough. I wasn’t sure where 19 of the first 24 payrolls were going to come from,” he said. After a rough start, the company began to see remarkable financial growth. Extract Systems saw 60 percent growth in 2004, 82 percent growth in 2005, and is shooting for a 178 percent growth in 2006. “We are just now starting to feel that things are going to be OK,” Rasmussen said.

The company is looking to expand into new markets in the future. Rasmussen believes that the medical industry could use Extract Systems software for data entry. He would also like to continue to expand their sales of identity theft protection software.

Extract Systems has been able to exist through the help of angel investors and the help of a community bank. It is a shining example of a business overcame early problems, recast itself, and relied on the ingenuity of its leadership, employees and investors to find a way to be profitable.

Howards is a student in the UW-Madison Department of Life Sciences Communications. This story was written as part of a class taught by Tom Still, president of the Wisconsin Technology Council.

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