

Friday, July 31, 2009

## IT outsourcer Freeborders looks to snap up other firms

San Francisco Business Times - by [Patrick Hoge](#)

For Freeborders Inc. this year, flat is the new up.

The San Francisco information technology outsourcing firm grew quickly last year before the economy slowed down and customers — in particular a large **U.S. bank** and a software company — put the brakes on spending plans.

“We’re doing okay. We’re holding our own in a very tough economy. It’s not an easy environment,” said CEO Jean Cholka.

Revenue in 2008 was up 50 percent to between \$30 million and \$40 million. As a result, the company hired 81 people, bringing total headcount to 500, including about 100 in the United States, 20 of them in San Francisco, the rest in China.

This year, by contrast, Cholka is expecting revenue to remain flat or grow at most 10 percent.

“That’s a reflection of our clients going through very tough times,” Cholka said. It is taking much longer for companies to make spending decisions, and those decisions are being made at much higher levels than in the past, she said.

Even so, Cholka is planning to hire another 20 people by the end of the year.

Freeborders, which is profitable, is also looking to acquire smaller companies.

Freeborders said in June it was buying **Stack Venture Group**, a private Chicago seller of trading and lending technologies. This week, Freeborders bought Global Sourcing Advisory Group, a New York-based technology consulting firm.

Founded in 1999, Freeborders sends most of its work to China. The company is focused on U.S. and European banking and finance and has offices in New York and in China in Hong Kong, Shenzhen and Wuxi. Customers include **Ticketmaster**, **LendingTree** and **BNP Paribas**.

John McCarthy, a principal analyst at **Forrester Research**, said Freeborders is “one of the up-and-coming players” in the second generation of information technology offshoring firms — those sending work not to India but to China, Mexico, Russia, Vietnam and other countries.

Competitors include **Achievo Corp.**, Capgemini, and Wipro Technologies.

### WHO’S HIRING:

[Freeborders inc.](#)

Number of jobs: 20.

Type of jobs: Client relationship managers.

Location: Both coasts.

[phoge@bizjournals.com](mailto:phoge@bizjournals.com) / (415) 288-4949