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**ORLANDO-HEADQUARTERED COADVANTAGE ACQUIRES TWO COMPANIES**

*NELCO and PlanSource to Become Part of CoAdvantage Family of Companies,  
Significantly Increasing CoAdvantage's Size and Value After 10 Years of Success*

Orlando, Fla. – January 3, 2008 – [CoAdvantage](#), a leading provider of end-to-end **human resource solutions**, has acquired two successful businesses—[NELCO, Inc.](#), and PlanSource. The acquisitions are expected to significantly increase profits and expand capabilities for 10-year-old CoAdvantage, catapulting it to one of the leading **HR services** companies nationally. With 2008 total projected net revenue for all three companies of \$106 million, it is believed that CoAdvantage will now rank in the top 10 **professional employer organizations (PEOs)** organizations in the country. The acquisitions will also further the company's mission to bring value to all stakeholders and will increase internal staff by 56 percent, as well as worksite employees, which total more than 30,000 throughout Florida, by 38 percent. The resulting entity includes two PEOs, a **human resource outsourcing (HRO)** company, an **insurance** agency, and a **benefits administration software and services** company.

CoAdvantage is one of first companies in the **human resource services** industry to demonstrate a growth strategy—through its HRO and PEO solutions—that effectively meets clients' needs as they mature. This is especially essential in the current down market when small and medium-sized businesses (SMB) need to eliminate risk and create more financial and human resource efficiencies. CoAdvantage makes it possible for employers to cut costs while, at the same time, providing the best employee **benefits** possible.

“The acquisition of NELCO and PlanSource will allow us to substantially increase our value proposition to our clients,” said CoAdvantage CEO [Dayne Williams](#). “We will enhance our bundled **HR solutions** to the small employer by incorporating the strengths of NELCO, while the PlanSource acquisition will provide the necessary **software platform** to effectively deliver our solution to employers of the mid market.”

NELCO was approached by more than 40 potential buyers. Founder Virginia Dorris—who is retiring—and her daughter, President Dori Rath, chose CoAdvantage because of its commitment to customer satisfaction and desire to retain the location, president and management team.

“Our customers will keep everything they like about NELCO,” said Rath. “We've spent decades building NELCO's excellent reputation. We didn't want to sell the company to anyone less. We are incredibly pleased with this acquisition.”

“With the NELCO acquisition, we are marrying two of the best PEOs, as far as perception and value in the marketplace, to create one of the top PEOs in the country,” said CoAdvantage PEO President [Ben Hewitt](#). “This gives us the size we need to become a tier-one player and the ability to serve our clients through more efficient and effective methods.”

Both CoAdvantage and NELCO are highly regarded for client service and benefits. Clients will benefit with pricing advantages due to the increased buying power of this larger entity. Additionally, overhead expenses will be reduced due to combined resources.

PlanSource, which will become a wholly owned subsidiary of CoAdvantage, will offer proprietary, dynamic software that fully integrates insurance products and benefits administration tools, along with pre-defined portfolios of benefit options, to both CoAdvantage clients and insurance brokers. This technology will greatly simplify the procurement, implementation and management of health and benefit plans.

“The success and adoption of CoAdvantage’s HRO product has proven the need for an integrated payroll and benefits solution that eliminates the inefficiencies created by working with multiple vendors,” said Williams. “This is one example of how we continue to enhance products that will remove the unnecessary costs within the **payroll**, benefits and HR industries.”

“This partnership will allow CoAdvantage to expand service offerings into the SMB market space at an unprecedented rate with a product superior to anything in the market today,” said PlanSource Chief Executive Officer Scott Carver. “Delivering cost-effective benefits and highly automated administrative solutions to the small and medium-sized business market has proved to be elusive for other providers...we believe we have cracked that code.”

### **About CoAdvantage**

CoAdvantage, which is headquartered in Orlando, proudly begins its second decade of service with a growth strategy unlike any other in the industry, an expanded geographic scope, and a continued commitment to its staff, clients and community. The company delivers comprehensive human resource outsourcing solutions to businesses with 10 to 2,000 employees through a combination of adaptable, scaleable human resource tools, an industry-leading web portal and a dedicated Client Service Center. Recognized for three years as an Inc. 500 Fastest Growing Company, CoAdvantage enhances the business impact of the human resources function using expertise, innovation and practical business insight. CoAdvantage’s solutions actively build, sustain and transform companies—keeping pace with business needs across all stages of growth. CoAdvantage has offices in Orlando, Ft. Lauderdale and Tampa, Florida. For more information, please visit [www.coadvantage.com](http://www.coadvantage.com).

### **About NELCO**

Based in Bradenton, Fla., NELCO is one of the oldest professional employer organizations in the country. The company, which provides payroll, benefits, **workers’ compensation**, and online technology products and services, was founded 24 years ago by Virginia (“Ginny”) Dorris. Prior to being purchased by CoAdvantage, it was one of the top 25 PEOs in the country, the 68<sup>th</sup> largest

privately held business in Florida and on the Florida 200 list. For more information, please visit [www.gonelco.com](http://www.gonelco.com).

### **About PlanSource**

PlanSource provides outsourced benefits administration services and innovative, Web-based, proprietary **technology**, which allow employers with 50 to 2,000 employees the ability to implement and administer a national network of **health plan** options integrated with a suite of related human resource business services. PlanSource is unique in the marketplace in that it offers a platform capable of delivering an unprecedented level of self-service functionality in the areas of service procurement, customer set up and ongoing administration. This technology is simple and intuitive enough to enable employers, brokers and others to get through the implementation process without the customization and configuration requirements that have been the primary impediment to scaling similar models. PlanSource is based in Salt Lake City, Utah.

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*Note: Executive biographies, photos, and maps outlining geographic scope for both CoAdvantage and NELCO are available upon request.*