

TESIMONY FOR FIELD HEARING  
U.S. HOUSE OF REPRESENTATIVES COMMITTEE ON SMALL BUSINESS  
JUNE 18, 2018

WRITTEN TESTIMONY OF GEOFFREY E. CARTER,  
PRESIDENT AND C.E.O. OF HYPERION TECHNOLOGY GROUP, INC.  
3248 WEST JACKSON STREET, TUPELO, MS 38801

The Perspective of Rural Small Businesses in North Mississippi

Good afternoon Small Business Committee Members. My name is Geoffrey E. Carter. I am President and C.E.O. of Hyperion Technology Group, Inc. ("Hyperion") in Tupelo, Mississippi. Hyperion is a small business founded in 2009 which employs 31 people. Hyperion is a custom engineering, research and development company with a primary focus on federal government contracting. Hyperion supports all branches of the military, as well as the Departments of Energy, Homeland Security, and the United States Secret Service developing and building sensors and sensor-systems to protect both civilians and the warfighter. Hyperion also works with several major public universities including Mississippi State University and the University of Mississippi supporting their Research and Development efforts and commercializing university-developed technologies for the public benefit. In addition, Hyperion's commercial division serves industrial customers with custom-engineered solutions that increase productivity with an emphasis on workplace safety.

Over the past eighteen months, Hyperion Technology Group, Inc. has seen significant growth in both government and commercial sales. Since the 2016 election, our workforce has increased by thirty percent, our revenue has doubled, and we have outgrown our facility and recently announced construction of a new headquarters. Some of the factors contributing to our recent growth include:

- Government contracts are moving through the system more quickly.
- Increased emphasis from the Government on military research and development and modernization.
- More positive and contractor-friendly dealings with Government contracting officers and staff.

- Industries' desire to spend capital for facility modernization and improvement.
- The increased revenues from large businesses' expenditures resulting from H.R. 1, the Tax Cuts and Jobs Act.

The tax cuts afforded to us by H.R. 1, the Tax Cuts and Jobs Act, will make it easier for Hyperion to continue to grow and expand its footprint in both the government and commercial sectors. We anticipate our growth to continue as long as the current business environment prevails. The lower corporate tax rates and increased ability to expense capital improvements will promote reinvestment, growth and expansion of small businesses.

While I have this opportunity to speak as an advocate for small business, I would like to mention how some of the regulatory and compliance burdens disproportionately affect small business government contractors. We recognize the importance of security, safety, export and employment regulations, but the compliance and reporting requirements of these regulations are essentially the same for small and large businesses alike. Certain areas of our business are regulated by multiple agencies and departments, adding complexity and increasing the compliance and reporting burden through unnecessary duplication. Many of these requirements demand full-time support staff to ensure full compliance which dramatically increases our overhead costs. These fixed overhead costs are less significant for a large business, but hit us harder as a percentage of overall budget. I would like to recommend that the Committee consider introducing legislation in the form of a tax credit targeted specifically toward small business government contractors to offset some of the burden that is required in order to comply with these important regulations.

I would like to thank the Committee for this opportunity as well as for your time and consideration.

Sincerely,



Geoffrey Carter