

Encompass Holdings' Quadrant Data Systems Plans Relocation to Improve Profitability.

RENO, NV, February 17, 2010 (GLOBE NEWSWIRE) -- **Encompass Holdings, Inc.** (Pink Sheets: [ECMH.PK](#) - [News](#)), www.encompassholdings.com, announced today that its wholly-owned subsidiary, **Quadrant Data Systems Inc. (Quadrant)** www.qds-i.com plans to relocate its headquarters and data center to a newly acquired facility designed to support the company's expansion into **Virtual Services** and vending of **Cloud Computing Resources**.

The new facility supports **Quadrant's** business continuity and **SAS70** requirements and will be equipped with both fiber and wireless internet data feeds as well as a fully redundant power system. Targeted to be completed by late March, the relocation will result in a significant reduction of fixed overhead costs.

“The opportunity presented by the market for **Virtual Services** provides a much greater revenue potential than the collocation model. The move positions us to compete aggressively in an expanding business arena where profit margins are broader. This will significantly improve our bottom line. We look forward to launching an expansive marketing campaign focused on **Virtual Services** in the 2nd quarter of this year. All of this forms the cornerstone of our growth strategy moving forward.”, said **Joseph P. Berardi, Quadrant's CEO**.

Virtual Services are rapidly replacing traditional hardware based platforms due to the significantly improved efficiencies made possible by virtual computing.

Scott Webber, **CEO of Encompass Holdings** added: “This new facility models our design for modular data centers that take advantage of dense computing efficiencies and allow for diverse geographic distribution of resources. This move will realign our operating expenses and reduce our fixed overhead by approximately one third (1/3). With the combination of higher profit margins for **Virtual Services** and lower fixed overhead costs, we expect this move to provide the best profit potential for our shareholders.”

Forward-looking statements in this news release are made under the “Safe Harbor” provisions of the Private Securities Litigation Reform Act of 1995. Certain important factors could cause results to differ materially from those anticipated by the forward-looking statements, including the impact of changed economic or business conditions, competition, the success of existing and new product releases and other risk factors inherent in product development and other factors discussed from time to time in reports filed by the company with the Securities and Exchange Commission.

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