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Maxiom's life sciences IT focus generates growth

BY MARK HOLLMER
JOURNAL STAFF

WALTHAM—For **Maxiom Consulting Group Inc.**, limiting itself has more than paid off.

The 4-year-old business and information technology consulting firm has focused almost exclusively on the biotechnology/pharmaceutical market. But rather than hold the company back, the strategy has attracted more than 14 clients, up from two just a few years ago.

And then there's the company's growth. Rather than seek outside funding, Maxiom's founders bootstrapped the operations themselves, allowing them to grow as business warranted, from seven to 15 full-time employees this year alone. Revenue has expanded accordingly, reaching between \$850,000 and \$1 million in 2004 with expectations to triple that in 2005.

CEO and President Scott Chizzo says that narrow focus makes sense because life sciences companies are increasingly reaching the point in their growth where they must switch from product development to sales, creating an escalating demand for outside consultants to help them along the way.

"We think the size of the industry and how it's really scaling could support a company many times our size," he said.

Chizzo, in fact, plans to add up to six more employees by the end of 2005 and double the company's total head count next year. Long-range plans through 2007 also call for opening offices in Philadelphia and Raleigh-Durham, N.C., to broaden the company's client base. It's a logical growth



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Scott Chizzo plans to double Maxiom's total head count next year.

strategy that taps into the expanded number of companies facing the complex transition from development to commercial sales, analysts and insiders say.

"You're going from a very development-oriented organization that is usually running pretty lean and mean to an organization that now needs to compete in the marketplace," said Richard Smith, a partner and co-chairman of the life sciences practice at Palmer & Dodge LLP in Boston. "You've got supply chain, regulatory approval, manufacturing and sales issues and they all have to come together at the same time to be successful."

Outside pressure on the high cost of new drugs and medical devices is also increasing the push for life sciences companies to hire

consultants that can both improve capacity and lower final product costs, said Roddy Martin, an industry analyst and vice president at AMR Research Inc. in Boston.

"The scenario is changing," he said. Launched in 2001, Maxiom faces competition from The Boston Consulting Group and New York's Accenture Inc. (NYSE: ACN). Yet, they don't specialize exclusively in life sciences like Maxiom does, which Martin says give the company an advantage in helping them modernize their software or business processes.

MARK HOLLMER can be reached at mhollmer@bizjournals.com