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Exclusive forum gives fast-growth CEOs a place to get advice from their peers

CHIPS & DRIVERS

Matthew French

It's lonely at the top, or so the saying goes. These days, perhaps things are lonelier still.

Slumping revenues, a battered stock market and massive layoffs have placed several chief executives in the unenviable position of being corporate executioner.

With all of the responsibilities a CEO must balance, to whom can he or she turn for advice?

Traditionally, the management teams and directors and advisory boards have served as sounding boards, but CEOs do have another option. When a CEO needs advice on anything from mergers, acquisitions and IPOs to layoffs, restructuring or taking a company in a new direction, they can call on Katherine Catlin and her cadre of consultants.



Katherine Catlin

Catlin started The Catlin Group consulting firm in 1989 with the thought that she would help growth-minded entrepreneurs and CEOs still in the pre-IPO stages. In the time since, she has had the ear of the likes of Monster.com's Jeff Taylor.

Catlin's plan, called Building the Profit Spiral, is designed to guide CEOs through the creation of a strategic plan.

"We designed ourselves to cater to the entrepreneurial, fast-paced world and most of those happen to be high-tech and venture backed," said Catlin, who recently coauthored "Leading at the Speed of Growth." "We hadn't intended to focus primarily on high-tech companies, but when you start a company in Massachusetts that's designed to help in the future planning for growth-minded companies, high-tech is inevitably going to be a large part of the clientele."

One of the company's first clients was the Tab newspapers, which are small weekly papers distributed around several of Boston's neighborhoods. Shortly thereafter, The MathWorks signed on and the road to high-tech was paved.

"We learned the business of high-tech through doing business," said Catlin.

Catlin and her group — three full-time and one part-time consultant — have also managed to do well for themselves in these unsettled times.

"Of course companies change and alter their growth plans when the economy turns, but there still has to be a strategy there," she said. "Too many people adopted the idea that getting big fast meant everything and they're hurting now. It was all about IPO preparedness and there was a lot of hype and venture money and pressure. I think the pace quickened so much that a lot of people were encouraged to grow out of control."

Now instead of seeking advice on maximizing growth, companies have returned to the more traditional and conservative game plan of building towards profitability. Some of the companies that have fallen on harder times, she said, focused too much on the financial situation of the company and abandoned strategic plans.

"They acquired and acquired and binged on these companies, trying to be the biggest and toughest on the block," she said. "We try to look for companies that are looking to grow and not those that want to build up fast and sell quickly."

Catlin has taken her idea of catering to a very exclusive client list one step further and has founded an even more exclusive CEO-only forum. The invitation-only forum is comprised of only 10 people, all in a similar stage of growth in the business world. None of the participating companies can consider any of the others

to be competitors and everything discussed is confidential. The forum's purpose is to create a learning environment from which the CEOs can gather real-world advice as to what works and what doesn't.

"We found a lot of our clients were having very similar problems and successes," said Catlin. "There was no specific CEO forum or exchange for high-tech, high-growth and venture-backed companies. There were general forums, but the CEO of a fish packing company has no idea what the problems are associated with software and vice versa."

Catlin said the selectivity of the group is important to keep a focus and a comfort level with which the CEOs can deal.

"When we started the group, which meets quarterly, we had the CEOs come up with goals on a quarterly basis and a one-, two- and three-year plan," she said. "A lot of these companies are on the cusp of readiness for an IPO, and some were ready when the market tanked. These are companies that are managed well, have enough money and are looking at profitability. They come back every quarter and discuss what worked for them and what didn't."

But don't dare call it a "support group."

"Somebody once referred to it as a 'CEO support group,' and I cringed," Catlin said. "We aren't running a therapy session for CEOs. We're running a dialog and forum where they can discuss their business issues in complete confidence and learn from their peers."

So if your company is strategically positioned for growth and profitability, but you need a little assistance in getting it started, a CEO consultant might be the way to go.

Let's face it, even CEOs sometimes need a helping hand. Remember, it's lonely at the top.

Matthew French reports on software and hardware. He can be reached at mfrench@masshightech.com.

Catlin & Cookman Group: Corporate Profile

Building a Community of CEOs Who Are Growing Great Companies

In today's fast-paced world, CEOs have the toughest job of all. While it's both exciting and rewarding, it can also be extraordinarily challenging. Where do CEOs turn for guidance? Since 1989, CEOs of emerging-growth companies have come to the Catlin & Cookman Group for our unique expertise and resources – proven methods and frameworks to plan for and manage growth and change. Our sole focus on the CEO experience sets us apart, and the highly targeted resources we offer – CEO forums, consulting processes and practical tools – are developed exclusively for CEOs who are committed to growing great companies.

High-Growth CEO Forums™

More than ever, CEOs need a group of peer advisors to help grapple with issues they can't discuss with their teams or Boards. Our unique Forums are tightly-knit groups of CEOs from similar stage companies who meet quarterly to discuss their business challenges, advise each other about critical decisions, and develop best practices for managing growth. Our focus on customizing agendas to address members' real-time, bottom-line issues keeps the group accountable and the payback measurable. And, through our licensed partners, we are growing the number of High-Growth CEO Forums worldwide, creating a powerful, wide-reaching community of over 70 venture-backed CEOs.

High-Growth Consulting

To succeed, CEOs must create a shared vision and strategy with the executive team – and then execute ... flawlessly. We work closely with CEOs to define their strategic vision and annual plans, build and align executive teams, and create the organizational design, operating system and culture for impeccable execution. Our systematic, proven frameworks for growth deliver measurable results.

***Building the Profit Spiral®** Our foundation framework. Uncovers impediments to growth and helps CEOs and their executive teams create and implement strategic plans that include market focus, mission, values, vision, strategies, structure and culture — and an operating system to make sure the plan works. The result is the path to extraordinary growth.*

***Building the Executive Team as Leaders of Growth®** Defines the key responsibilities of the executives beyond their functional roles and develops a highly-focused and exceptionally strong team capable of leading the company to successful growth, breakthrough innovation and maximized profits.*

***Building the Awesome Organization.** Drives the strategic plan down into the organization – ensures that the critical metrics, operating processes, culture and activity alignment exist to execute the plan.*

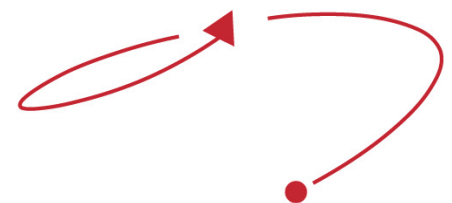
Thought Leadership

Our deep understanding of the high-growth CEO experience is reflected in our books, articles and seminars – and on our website, www.ceoexchange.com.

***Books:** **Leading at the Speed of Growth: Journey from Entrepreneur to CEO** (Wiley, 2001) and **Building the Awesome Organization** (Wiley, 2002) by Founder Katherine Catlin and Jana Matthews.*

***Seminars and Speaking Engagements:** “Growing Your Company: The CEO's Challenge,” a two-year, 7-part series for the Massachusetts Software Council, “The New Breed of Leader” at the Future Forward Conference, “Planning Bootcamp,” and many other engagements.*

Clients Include: Anaqua, Antenna Software, aPriori, Authentica, Authoria, Avotus, Bluespec, Circles, Concord Communications, Constant Contact, e-Dialog, Empirix, eRoom Technology, Experience, I-Logix, Inmagic, iRobot, LiveVault, PeopleCube, Monster.com, mValent, OneSource Information Services, PanGo Networks, Pantero, Soundbite, Steelpoint Technologies, The MathWorks, VFA, Sevin Rosen Funds, Polaris Venture Partners, and North Bridge Venture Partners



The Bottom-Line Impact Experienced by our Clients

High-Growth CEO Forums™

“The job of the CEO is inherently and unapologetically isolating. The High-Growth CEO Forum offers a refreshingly honest and sincere source of support and advice from peers who live on similar quarterdecks. Its format and strong facilitation differentiate it from other groups I have seen. The Forum is one of the most effective feedback and personal development mechanisms available to a CEO. It has made me a more effective leader and a happier, more balanced human being.”

Colin Angle, CEO of iRobot which had a successful IPO in November 2005 establishing a market cap over \$700 million. He was also E&Y Entrepreneur of the Year winner in 2003.

"I am a strong advocate for the CEO Forum. I grew and sold my last company for 5X more than it was worth when I started as CEO. There is no way I could have done that without the Forum. The quality of the people and input I got from them along the way was invaluable. We are all dealing with the same issues, just different context and timeframes. As you know, a CEO's biggest challenge is prioritizing – especially his/her time. The fact that most of this team never misses a meeting speaks volumes about the value proposition! As an aside, my current company is less than a year old and our last round post money was already 5X the first!"

Paul DiGiammarino, President & CEO of Anaqua. After a successful exit, Paul is again a Forum member.

“The Catlin & Cookman Group community was my most valued sounding board when I was CEO of eRoom – no other constituency could offer the direct, trusted and knowledgeable feedback a CEO needs when in the line of fire. Not the board, not my management team and certainly not my spouse. The CEO Forum provided me the opportunity to step back from the trees, reassess my long-term vision and strategy and gain clarity on often difficult and complex issues – and over time I built some fabulous friendships.”

Jeffrey Beir, former CEO eRoom Technology, and currently General Partner, North Bridge Venture Partners. Jeffrey was an E&Y Entrepreneur of the Year winner in 2003

“The Catlin & Cookman Group’s High-Growth CEO Forum was a major contributor to giving me the ideas and inspiration as an entrepreneurial CEO that led to winning the Entrepreneur of the Year Award.”

Dan Schimmel, former CEO of OneSource Information Services and an E&Y Entrepreneur of the Year winner in 2001.

“Given my scars and collective experiences, I would have thought that by now there would be nothing I could learn from a group such as this, but I am amazed at the insights I get from experienced and even newly appointed CEO's... I don't recall ever making a similar endorsement.”

Gene Robinson, CEO of I-Logix, Inc

High-Growth Consulting

“I've always been an entrepreneur, and one of the things I learned early on was that I couldn't get any synergy in my business until I had a group of people working as entrepreneurs together. We have that now at Monster.com as a result of our work with the Catlin & Cookman Group, and we also have a plan in place that will guide our future growth while helping us preserve our unique culture even as we add more and more employees here and around the world.”

Jeff Taylor, Founder and Chief Monster, Monster.com

"The Catlin & Cookman Group has been an invaluable partner for Authoria - amazing people and processes for providing insight and peer-review, and for driving powerful ideas into action."

Tod Loofbourrow, CEO of Authoria Inc.

“When facing a difficult issue on my management team, or for the company as a whole, a quick call to my Catlin & Cookman Group consultant always provides an enlightened and unbiased point of view that helps bring clarity to the decision that must be made. I consider the Catlin & Cookman Group to be a vital member of my team.”

John Rizzi, CEO of e-Dialog

