

## **Ajilon invests \$1 million in Incube8.com**

Roger Hughlett Staff

Towson's Ajilon LLC is pumping \$1 million into a growing Baltimore venture capital and business incubation firm.

Incube8.com, which funds and provides management services to mostly high-tech startup firms, will also get executive recruiting services from Ajilon, an information technology consulting and recruitment company.

Jack Kwicien, senior managing partner at Incube8.com, called the latest infusion of cash from Ajilon "smart money" because it not only provides capital but services as well.

"The pipeline to talented and experienced executive managers that Ajilon provides is a real boost for Incube8's current and future portfolio companies," Kwicien said.

Since its inception earlier this year, Incube8.com has raised \$8.5 million in venture capital and is preparing to begin raising another \$20 million.

Incube8.com (<http://www.incube8.com>) currently has nine companies in its portfolio, including Silver Spring-based USLaw.com (<http://www.uslaw.com>) and Baltimore's Well Planet Inc. (<http://www.wellplanet.com>).

In all, the nine companies employ more than 300 people -- about 60 percent in Maryland.

The number of employees and the growing need for more information technology professionals within the portfolio companies led Incube8.com to strike a deal with Ajilon (<http://www.ajilon.com>), Kwicien said. He estimated that the portfolio companies will grow in staff at about 40 percent each year.

"We realized that with every one of our companies there is a demand for information technology and executive talent," he said. "Ajilon specializes in that arena."

Ajilon, a subsidiary of Adecco SA, an international staffing company traded on the Zurich Stock Exchange, recorded \$1.6 billion in sales last year. The company's executive recruitment division will work with Incube8.com and its companies.

"Our investment in Incube8 reflects our strategy to align with leading-edge emerging technology businesses and our belief in the technology business accelerator model," said Roy Haggerty, chief executive officer of Ajilon and now a member of Incube8.com's executive advisory board.

Incube8.com operates as what some industry observers are calling a business accelerator because it funds and provides management services for start-up firms before spinning them out into the market. The model has been applauded by several experts in recent months.

A study published in the Harvard Business Review last month said incubators using this model of combined services offer the best of both worlds with the amenities of a large corporation and the "entrepreneurial spirit" of smaller firms.

According to officials with the National Business Incubation Association (<http://www.nbia.org>), the more than 600 business incubators in North America have added some 19,000 companies and more than 245,000 jobs to the economy.

In addition to operating under the business accelerator model, Incube8.com has plans to break into the lucrative mergers and acquisitions market by creating another fund to concentrate on that sector, Kwicien said. "We expect to close funding on that by January (2001)," he said.

That fund would concentrate on buying companies, divisions of companies or specific product lines and combining them with other firms.