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Tech co. ready for 'breakout year'

Business First of Buffalo - by [Tracey Drury](#)

Scottpatrick Sellitto has a jittery excitement about him that is contagious.

He rattles off details about more than a dozen projects under development at the life sciences company he runs on the Buffalo Niagara Medical Campus. You can almost feel the energy radiating from him.

Ceno Technologies Inc. seems like a company on the verge of something big – if Sellitto does things right.

Already, the four-year-old company is doing business with the **U.S. Navy**, **NASA**, **Lockheed Martin Corp.** and **Boeing**. Another proprietary deal with an international cleaning and personal-care products company will see Ceno Tech provide technology for a revolutionary cleaning system.

Negotiations also are under way with **Roswell Park Cancer Institute** for the company to play a pivotal role in the development of a cancer drug-delivery system that uses photodynamic therapy to treat melanoma.

The problem? Managing growth the right way to make it all work.

“It’s not the fact of if we’re going to make it; it’s when and how big,” says Sellitto. “That’s the part that scares me. Some of these are very large orders.

“This year – 2010 into 2011 – is the year we’re flipping the switch,” he says. “I’m almost afraid we’re going to do too well and be caught with our pants down, literally. We’re all trying to ramp up for this transition.”

Ceno Tech specializes in high-tech particle research, including coating and treating microscopic spheres for use in drug development, personal care and military applications. The company spent the past year operating from the **University at Buffalo** Center of Excellence in Bioinformatics & Life Sciences. In November, it will move to new, larger space at the nearby Center for Innovation. A hiring blitz is expected to add 10 people to the staff, which includes Sellitto and a biochemical pharmacologist.

A virtual company for the past few years, Sellitto’s business partner operates from Christchurch, U.K., while others are based in Massachusetts and Rhode Island. Sales will likely hit \$1 million this year, bolstered largely by the sale of cenospheres – hollow ceramic (alumina silicate) particles used as filler for building products and in mining applications, among others.

But Sellitto says the real money, and the company’s future, lies in its ability to apply specialty metal coatings to nano-sized particles. That’s what’s behind current projects with the U.S. military and Roswell Park. Fifteen or more of these projects are multimillion-dollar projects, any of which would require it to scale up very quickly.

These kinds of advanced materials have the benefit and the challenge of being areas that can have a significant impact in many broad areas, says Keith Blakely, who has led several companies specializing in nanotechnology, including the defunct **NanoDynamics Corp.** Blakely, now president and CEO of The InVentures Group, has been doing some coaching and mentoring with Sellitto, even pitching in during an investor conference last week.

The key is not to chase too many opportunities, he says.

“To a certain extent, it’s kind of like being in front of the roulette table where there’s lots of spots you can put your chips on, or you can concentrate on red or black. There is no easy answer,” Blakely says. “Properly resourced and focused, Ceno Technologies could have a breakout year – or it could fall apart and they could find themselves a year older and not a product richer.”

Many innovative companies face the same difficulties when ramping up, says Marnie LaVigne, director of business development at the UB Center of Excellence in Bioinformatics & Life Sciences. The challenge is narrowing the pipeline to make sure those high-priority initiatives they’re spending time and effort developing match the available market opportunities.

“They have to pick what look like winners, and that often is driven more from the marketplace than their technology background,” she says.



Jim Courtney

Ceno Technologies
 Scottpatrick Sellitto
 and Deema Mahmoud
 at work.

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“Having that flexibility and openness to being driven by the market is the hallmark of a successful entrepreneur.”

That’s why having business advisers from different backgrounds is vital. Sellitto says he knows this – he’s the science guy and plans to hire someone to focus on the business side.

“I’ve had companies all my life – companies that have been very successful and companies that have fallen on their face. I’m not ashamed to say I’ve screwed up. I’ve learned business that way, but I know you can’t do both,” he says.

He’s also trusting in relationships he’s developed while housed on the Buffalo Niagara Medical Campus.

Sellitto was among a group of BNMC entrepreneurs in Chicago in the spring to participate in the Bio International Convention. That’s where he met Richard Matner, director of technology transfer and commercial development at Roswell Park. A casual conversation led to the recognition that Ceno Tech could provide a vital tool for a process in which Roswell Park scientists were struggling.

“A lot of times, everybody knows what they need to do in the technology area but they get to blocks, get stuck and can’t get further along,” Mayner says. “Then you run into someone like Scottpatrick who has the key, removes that block and you start to move forward.”

In this case, a Roswell Park scientist was looking at ways to adapt a cancer treatment using photodynamic therapy. The problem came in getting the therapy into a dermal application to treat skin cancer and melanomas. The system also has market potential for cosmetic procedures.

“All of a sudden, he says, ‘I’ve worked in this area. I’ll bet I can throw that in what I have,’ ” Matner says.

Before long, the two organizations were collaborating on a new drug-delivery system that’s now in the patent process.

Though no final agreements have been reached, Matner says Ceno Tech does exactly the thing Roswell Park needs to make its photodynamic therapy work. He is so optimistic about the outcome that he made appointments in China with pharmaceutical company clients during a scheduled visit in January to talk about licensing opportunities.

He says he’s not worried about Ceno’s ability to scale up to meet the challenge.

“I invest in the people,” Masner says. “There’s lots of people who can distribute and market, but you have very few people who can come up with creative ideas. It’s irrelevant the size of the company – more important is the creativity and knowledge.”

The companies working with Ceno Tech aren’t concerned with other opportunities: They say they expect the company to be ready when they are.

Rod Webb, corporate business development manager at **Astro Pak Corp.**, is working with Ceno Tech on a job for Six Log Corp., an Astro Pak subsidiary in Santa Ana, Calif. The company provides sterilization services for hospitals and other sites using a gaseous hydrogen peroxide solution. It wants Ceno Tech to treat the solution in such a way that it will break down faster, cutting the process time in half.

“To me, it’s important they are willing to take on even small projects that need their technology. And there’s definitely a bit of innovation in just their willing to accept projects that may not have this big, huge market behind it,” Webb says.

Sellitto, meanwhile, says he is prepared for both types of opportunities. He created a bio division to handle big jobs such as the Roswell Park project and products the company is creating on its own. He also created a custom division for jobs like the one with Six Log. He says he knows he can’t take on all the project offers that come in but isn’t ready to turn them away yet, either. At least, until that first big contract comes in and makes the decision for him.

“Until that point, we are continuing to work with new clients, develop new materials and work with new technologies,” Sellitto says.