

Russo finds NJIT is the place to be for Endomedix

Enterprise center, access to faculty has keyed development

August 18, 2014 3:00AM

By [Andrew Sheldon](#)



Endomedix CEO Richard Russo: “NJIT has helped us accomplish our strategy.”

Four years ago, Endomedix CEO Richard Russo recognized Stony Brook University was not meeting his company's needs when it came to facilities and experienced professors.

So he loaded up and moved down to the New Jersey Institute of Technology.

By relocating to the Newark-based university, the company has been able to tap into the institution's human and financial resources, allowing it to keep costs at a minimum as it develops its product: a spray gel used to control bleeding during brain surgery.

“There are tenured professors and they haven't worked in the field, they've just written about it. Then there are adjunct professors,” said Russo, age 65. “But then, at NJIT, there's research faculty and they've all had stellar careers at DuPont, Hearst and other corporations.

“And they have great academic backgrounds at Cornell, Columbia and Princeton.”

The move has allowed Endomedix to focus on its process — and it's one of the reasons the company procured a \$1.4 million federal grant in June.

Endomedix operates under the university's Enterprise Development Center, which is headed by Executive Director Jerry Creighton.

“I have 90 companies in the center,” Creighton said. “We're the largest center in New Jersey, and I think one of the largest in the country when you look at us as exclusively tech and life science.”

At the EDC, Creighton fosters a collaborative community and encourages these companies — which he estimates are half technology and half life sciences — to utilize one another's resources. That is, of course, on top of what the faculty and students provide.

And while Endomedix, which was founded in 2005, moved from Stony Brook to NJIT in 2010, there's no particular shelf life on the school's commitment to its companies.

“We believe that as long as a company is growing and expanding, there's no reason for them to leave,” Creighton said. “When a company is expanding, geographically or with new products, that is quite helpful.”

This financial benefit is of great importance to Endomedix. Russo notes that financial management is more important than ever.

“The paradigm for a successful life sciences startup has really changed over the last 10 years. And there are a couple of reasons for this, one of which is the lengthening of time for FDA approvals,” he said. “Therefore, you have to manage your money carefully.”

The other shift comes from increased difficulty in procuring money.

“You have a longer time that you have to finance the company before you're getting revenues and, at the same time, it's becoming more difficult to do that.”

Companies have managed this, according to Russo, by having smaller staffs and leveraging them against independent contractors and outside consultants.

For Endomedix, these roles are filled by the research professionals on NJIT's staff and come as a perk of the company's relationship with the school.

“The EDC provides us with a location where we have fixed rent and their faculty, which has experience in our field,” he said. “We also have access to students when they graduate with experience, but also as interns.

“So NJIT has helped us accomplish our strategy by lowering our fixed costs and marshaling our resources that don't require us to spend any more than we have to. And we've been able to do a better job of getting to the point at which we'll be able to get more money to finance the company.”

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Biz in brief

Company: *Endomedix*

Headquarters: *Newark*

Founded: *2005*

Executive: *Richard Russo, CEO*

One More Thing: *The company's hydrogel is the first all-natural, non-synthetic, non-blood derived tissue sealant.*