



Boston Business Journal

December 7-13, 2007

Netezza plans more hires to meet growing market

BY JACKIE NOBLETT
JOURNAL STAFF

FRAMINGHAM — After several quarters of rapid growth, **Netezza Corp.** is once again hiring to take ad-



W. MARC BERNISAU | BUSINESS JOURNAL

Netezza will have an additional 40 employees at its Framingham headquarters by year's end.

vantage of expansion in the business intelligence and analytics market.

The Framingham maker of data warehousing appliances (NYSE: NZ) is looking to hire about 40 people by year's end, half of the increase going into research and development at its headquarters. The 255-person company has already hired more than 40 people in the last year.

While company executives say some of the growth is related to increased compliance demands since its July initial public offering, most of the expansion is due to an unsaturated market.

"The good news is that all of the industry megatrends are in our favor," said **James Baum**, president and COO of Netezza. "Those trends have cre-



'The good news is that all of the industry megatrends are in our favor. Those trends have created a very nice opportunity to grow.'

James Baum

President and COO, Netezza

ated a very nice opportunity to grow.”

The global business intelligence and analytics market is growing at about 10 percent per year, according to Framingham research firm **IDC Research**. But the data warehousing software subsector was a \$4.4 billion business globally and is growing at a 50-percent clip. Analysts say Netezza is in a good position to capitalize on that growth.

“Obviously there are other companies in (business intelligence) like Teradata and IBM, but part of their success has been their focus on the data warehousing market where there’s a lot of demand and which is a top IT spending priority,” said IDC analyst **Dan Vesset**.

In its most recent earnings report, Netezza posted \$33.4 million in revenue for the third quarter, up 44 percent from last year and 18 percent from the previous quarter. It swung from a loss of \$3 million in last year’s third quarter to net income of \$1.6 million this year.

Vesset warns, however, that Netezza is beginning to see competition in data warehousing from startups, and should expect to face more pressure from larger companies as it expands its offerings. But Baum said he believes the market is big enough for his company to continue to grow, both in size and revenue, well into next year.

JACKIE NOBLETT can be reached at
jnoblett@bizjournals.com.