

In northeastern  
Massachusetts,  
a region embraces  
life sciences.



Wyeth's 1.2-million-sq.-ft. (111,480-sq.-m.) biotech campus in Andover is the world's fourth largest, and its recent expansion binge shows no signs of slowing.

# Transforming a Region

Take a drive down Interstate 495 through Northeastern Massachusetts, and you will see the sites that make the Merrimack Valley so appealing: red brick mills, winding canals, sparkling beaches, tree-lined streets, quaint small towns, historical attractions from the 17th century, and scenic farms where you can pick your own fruit.

Venture off the main roads and you will see something else: a 24-town, 605,000-resident region that has quickly and quietly become one of the world's strongest centers of biotechnology, pharmaceutical and medical device manufacturing.

No, this is not Boston or Cambridge, but it's very close. Only minutes from the Route 128 corridor, the Merrimack Valley is home to a rapidly growing cluster of high-tech companies in the life sciences.

In places like Andover, Lowell, Lawrence, Haverhill, Chelmsford, Tewksbury and Billerica, firms are developing and producing everything from vaccine therapeutics to cutting-edge medical devices and analytical instrumentation.

"We like the location here in Merrimack Valley," says Chris Perley, managing director for **Wyeth Biotech** in Andover. "We are located in the heart of

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a strategic biotech corridor that stretches from Southern New Hampshire to Massachusetts and Rhode Island. This allows companies like ours to learn from each other, and it provides supporting infrastructure for our industry. This is a good location. We intend to stay here."

Wyeth — maker of the No. 1 selling vaccine in the world and the No. 2 pharmaceutical drug — bolstered those intentions last year when it announced a major expansion at its 1.2-million-sq.-ft. (111,480-sq.-m.) campus in Andover.

Already one of the largest biopharmaceutical operations in the U.S., Wyeth unveiled plans to add 150 positions to support the manufacturing activities of an additional biotech factory suite, bringing the work force at the complex to more than 1,900.

The Andover campus represents the fourth largest biotech organization in the world, and it is the fastest growing part of Wyeth's global, US\$20.35-billion business. The firm's 2006 revenues placed it 346th on Fortune's Global 500 list.

"We acquired the Genetics Institute in Andover in the early 1990s and we

have been expanding ever since," Perley says. "We have invested hundreds of millions of dollars and created hundreds of new jobs in the past few years in the biotech pharma business in the vaccine therapeutics class."

Perley says there are many advantages created by doing business in the Valley: close proximity to the premier biotech research hubs of Boston and Cambridge; access to some of the world's top hospitals and universities, including Harvard, MIT and Tufts; quick access to airports in Boston and Manchester, N.H.; more affordable housing for Wyeth employees in Northern Massachusetts; and the ability to hire highly trained workers right out of the University of Massachusetts at Lowell and the Greater Lowell Vocational School.

"We work with those schools to create training for the biotech industry," notes Perley. "Graduates are able to make an immediate contribution when they come to work for Wyeth. Work-force development is a key strategy for us."

Other Valley-based executives interviewed by *Site Selection* echo Perley. They stressed that access to a well-trained work force was the most important site selection factor in either locating their firm or expanding their facilities in the region.

Richard Packer, president of **Zoll**



Chris Perley



**Merrimack Valley,  
Massachusetts**

**Medical** in Chelmsford, says his company's location in the Valley provides "the right mix of being close enough to the university centers to attract the engineering talent we need. We need good access to skilled but affordable direct labor. By being located here in Chelmsford, we can pull employees from Lowell and Lawrence and other towns in the more industrial sector of Merrimack Valley."

Zoll, which developed the first successful clinical use of cardiac pacing in 1952, today makes a variety of cardiac resuscitation devices including low-energy defibrillators. The firm employs 625 workers in Chelmsford in a 120,000-sq.-ft. (11,148-sq.-m.) plant.

Zoll moved to Chelmsford from Burlington, Mass., about four years ago "because we needed bigger facilities," says Packer. "Plus, we needed better access as a manufacturing company to skilled labor."

By subleasing space from a telecommunications firm, Zoll was able to relocate at relatively little expense, notes Packer. "We were able to get a fairly good deal."

While noting that "Massachusetts is not the lowest-cost place to do business," Packer says the Valley offers several competitive advantages. "The Valley is far removed from the high-cost areas of Boston," he says. "We are in a good, competitive location, but we are not competing as a low-cost provider. The quality of what we do is much more important here."

The primary cost advantage for high-tech companies seeking expansion locations in the Valley comes in the form of reduced-price real estate. Once the industrial center of the U.S. textile industry in the early 1900s, the Valley is

now home to an abundance of older warehouse buildings and mills that provide cost-effective redevelopment opportunities.

"Lowell was the center of the American textile industry," explains Hooks Johnston, a former **Smith & Nephew** senior executive who now serves as an investor in the region and advisor to the Merrimack Valley Economic Development Council. "We are strategically located at the intersection of three Interstate highways, and we have land that can be developed for transportation-based industries."

Osgood Landing — the original Bell Labs building — offers 1.8 million sq. ft. (167,220 sq. m.) of space that is being converted into a high-tech center in North Andover.

In the Andover-Tewksbury-Wilmington triangle, the Tri-Town Unified Development Vision is an initiative aimed at attracting more life science employers, large-scale retail development, and a hotel and conference center to the region. Some 700 acres (284 hectares) of under-developed land is available in the Junction/Route 93 Development Area. The land-use plan calls for making up to 500 acres (203 hectares) in that area open to sustainable, mixed-use development.

Upon buildout, the Tri-Town master

the country, they are generally not very well informed about Merrimack Valley," Johnston says. "There is a mentality that when you get outside of Route 128, you fall off the cliff. So we have to educate them. We are pushing the story that there are very successful companies here right now — Wyeth, Smith & Nephew, Zoll Medical and others — and they are expanding here in the Valley."

Johnston presided over \$600 million of expansions at medical device manufacturer Smith & Nephew in Andover, where the firm's endoscopy division opened a new 78,000-sq.-ft. (7,246-sq.-m.) global headquarters. Worldwide, the company has 8,800 employees and \$2.8 billion in annual revenues.

"One of the keys to our success was that we had the ability to attract very talented people here because it is a very desirable place to live," adds Johnston. "From a manufacturing point of view, you can tap into some very talented people."

Other Valley executives tell *Site Selection* that the close proximity to two major airports gives manufacturers the ability to deliver overnight shipments of high-end product to virtually any destination around the world. In the medical device industry, that is crucial, they say.

So what's next for the Valley? Bob Halpin, president and CEO of the Mer-

rimumack Valley Economic Development Council, says his biggest challenge is to "overcome the perception that the Valley is distant and removed from the metropolitan center of Boston. That is absolutely not true. We are 30 miles (48 km.) from Logan Airport in Boston and only 30 miles from Manchester. Route 128 is 15 minutes away.

"This is a region with a very strong track record of high-tech manufactur-

ing," he notes, "and it's only going to get better." **SITE**

For more information, contact Bob Halpin, president and CEO of the Merrimack Valley Economic Development Council, at 978-975-8787, ext. 12, or by email at [rhalpin@mvcouncil.com](mailto:rhalpin@mvcouncil.com). On the Web, go to [www.merrimackvalley.info](http://www.merrimackvalley.info).

**Middlesex Community College on the Lowell Canal is part of a network of higher education institutions throughout the Merrimack Valley. UMass Lowell, Merrimack College, Cambridge College and Northern Essex Community College also churn out high-tech graduates who enter the Valley's work force each year.**



plan could involve 2.8 million sq. ft. (260,120 sq. m.) of facility space and the influx of up to 12,000 new jobs, according to officials leading the effort. The challenge, officials say, is to make the business community outside the Valley aware of what's happening inside it.

"When you speak with investors and corporate executives from other parts of