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3 firms planning to expand in state

Life sciences sector adds jobs, buildings despite flat economy

By Todd Wallack, Globe Staff | September 2, 2008

Three life sciences companies are expanding their operations in Massachusetts, the latest burst of good news for state economic development officials who are trying to bolster the sector.

Siemens Healthcare Diagnostics plans to unveil its \$109 million expansion in Walpole next week. Advance Medical Inc. said it has established a new US headquarters in Boston. And Covidien Ltd. wants to add a building near its corporate headquarters in Mansfield.

"We're obviously excited about it," said Greg Bialecki, the state's undersecretary of business development. "Even in an economy that is flat overall, life sciences companies continue to pursue expansion plans and hire new people."

Siemens Healthcare, a unit of [Siemens AG](#) of Germany, has scheduled a ribbon-cutting on Monday for its long-awaited expansion in Walpole. The company said it has added 115,000 square feet to its manufacturing plant and plans to add 70 jobs over the next decade. Business executives and elected officials, including US Senator John F. Kerry, are slated to appear. Siemens Healthcare currently has about 525 employees in Walpole.

Advance Medical, a unit of Advance Medical Health Care Management Services SA of Barcelona, has opened its US headquarters in Boston's Fenway neighborhood with a dozen full-time administrative staffers and another dozen part-time doctors, in addition to contractors. Michael Hough, an executive vice president, said the firm was drawn to Boston because of its world-renowned hospitals and medical research facilities. Advance Medical plans to double its local employment by year-end.

"Boston is full of medical innovation," Hough said. The company offers a service for people diagnosed with serious or complex medical conditions who want a second medical opinion on care. Since 1999, Advance Medical says, it has assisted more than 10,000 patients worldwide.

Meanwhile, Covidien, a healthcare products giant spun out of [Tyco International](#) a year ago, is considering buying a 115,000-square-foot building in Mansfield for research and development as well as administrative space. Covidien spokesman Bruce Farmer said the building could provide room for an additional 50 employees. But Farmer said the company does not yet have a firm option or agreement to buy.

Covidien is also seeking state and local tax incentives that could potentially be worth more than \$1 million to help recoup some of its planned investment. Farmer said he couldn't comment on

where the company would expand if the tax incentives are rejected or if it cannot strike a deal with the building's owner. Since 2003, Mansfield has approved tax incentives for at least six companies that have promised to expand there.

The companies' news comes just months after Governor Deval Patrick signed a \$1 billion life sciences initiative, designed to pump money into firms and research institutions focused on medical devices, biotechnology, and other life sciences industries. Bialecki said the expansion announcements show that even companies that haven't received aid yet are expanding in the state, in part because the law sends the message that "Massachusetts is a great place for life sciences companies to be."

Still, some local life sciences companies have also had to cut jobs, because of difficulty in raising money, competition, or problems getting experimental drugs and devices approved.

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