

The Boston Globe

Amgen to expand research unit here Calif. firm will boost staff at labs to 400

By Christopher Rowland, Globe Staff

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[Amgen Inc.](#) plans to increase to 400 the number of scientists and support staff at its Kendall Square laboratories over the next few years, substantially expanding its footprint in Cambridge, chief executive Kevin Sharer said in Boston yesterday.

Amgen, with headquarters in Thousand Oaks, Calif., and more than 14,000 employees, is the largest biotechnology company in the world. It had revenue of \$12.4 billion in 2005.

Amgen's Cambridge research operation is relatively small, with 135 employees in a 300,000-square-foot building that Amgen opened in 2001. The expansion, however, will gradually move its Cambridge facility to among the top dozen pharmaceutical and biotechnology labs in Massachusetts.

The company said the Cambridge operation would employ 200 people by the end of this year.

Sharer said Boston's concentration of academic medical centers, universities, and biotechnology companies was the main reason Amgen decided to expand here.

Sharer also cited a positive regulatory environment as a reason for doing business in Massachusetts, a view not often voiced by the state's business leaders.

"This is a great place to do business," said Sharer, a former high-ranking executive at MCI Communications who joined Amgen in 1992 and rose to chief executive in 2000. Amgen's larger Cambridge operation, he said, will have a "fully capable, fully scalable research site."

He discussed the company's plans in an interview at The Boston Globe yesterday and in response to a question after speaking before the Boston College Chief Executives' Club at the Boston Harbor Hotel. He told business leaders that Amgen is looking to make acquisitions.

"Boston's full of companies that may some day want to be part of the Amgen family," he said.

Amgen grew from a tiny California start-up in the 1980s on the back of its star drug, Epogen, which treats anemia in cancer patients and patients undergoing renal dialysis. It has continued to focus on expensive injectable drugs.

More recently, its growth accelerated with several acquisitions: Kinetix Corp., of Medford, in 2000; Immunex Corp., of Seattle, in 2002; and [Tularik Inc.](#), of San Francisco, in 2004. Late last year it struck a deal to acquire [Abgenix Inc.](#), of Fremont, Calif. The Immunex deal allowed it to acquire Enbrel, a popular drug used to treat rheumatoid arthritis and psoriasis that it manufactures at a plant in East Greenwich, R.I.

Last month, Amgen said it would spend heavily in 2006 on new research and development activities in the United States and Europe.

The most visible change so far at Amgen's Cambridge operation has been the arrival last month of its new leader, Mark Duggan, senior director of medicinal chemistry.

He joined Amgen after leaving [Merck & Co.](#), a company with a recently troubled history that includes the withdrawal of the painkiller Vioxx and a pipeline of new drugs that is considered weak by investors.

Duggan said Amgen researchers in Cambridge will be heavily focused on finding treatments for neurological ailments, like pain, Alzheimer's disease, and schizophrenia. Cancer also will be a key target, he said.

Amgen's expansion news was welcomed by the Massachusetts Biotechnology Council, an industry trade group. Its president, Thomas M. Finneran, the former Massachusetts House speaker, cited it as an example of the company's faith in the state's intellectual and scientific resources.

"Amgen's a player. Given their extraordinary success, their deep pockets, their good pipeline, for them to be making that type of additional commitment says they have a lot of confidence in Massachusetts," Finneran said.

Two other major national drug firms, [Novartis](#) AG and Merck, have made significant research investments in the Boston area in the last three years.

Novartis plans to hire 1,000 employees at its laboratories in Cambridge, and Merck plans to put 400 to work at its laboratory in Boston's Longwood Medical Area.

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