Eurofins Lancaster Labs eyes \$40M expansion that would add 300 jobs - LancasterOnline... Page 1 of 4



building, dubbed Building M, to Upper Leacock Township.

The township Planning Commission is set to discuss the sketch plan at its 7 p.m. meeting Wednesday in the township office, 36 Hillcrest Ave., Leola.

Beth Hinkle, assistant township manager, said the sketch plan is for discussion purposes only. No vote will be taken until the firm comes back with a land development plan.

From plan to reality

For the project to become a reality, it needs township approval, Eurofins' corporate approval and financial help from the state.

Oostdyk noted that the last time the state supported an expansion at Eurofins Lancaster Laboratories, the state got a far bigger return on its investment than expected.

That happened in 2012, when the state backed the development of a <u>\$17 million, 78.000-square-foot expansion</u> at the complex, west of the Worship Center.

The state awarded a \$300,000 grant and \$400,000 in tax credits to help fund that venture, according to LNP files. In return, Eurofins Lancaster Laboratories pledged to create 200 jobs by last month.

Eurofins Lancaster Laboratories created 315.

"That project was a very nice success. ... We way outperformed what we told the state we would do," said Oostdyk.

Building M would represent the company's 13th major expansion in 54 years. Construction could start as early as 2017 and last 15 to 18 months.

In an effort to line up state support, Eurofins Lancaster Laboratories has been meeting with state legislators and representatives of the Economic Development Company of Lancaster County.

Getting financial backing from the state would help persuade Eurofins corporate officials to give the green light to the project here, said Oostdyk.

Getting a green light

But even with state assistance, corporate approval is not a given.

Eurofins, the Belgium-based firm that <u>acquired Lancaster Laboratories in 2011</u> for \$200 million, has numerous other facilities that also want corporate approval — and funds — to grow.

"We're a global company," said Oostdyk. "We're in 36 countries. Sites all around the world are competing to be able to expand."

In particular, state backing would help offset the high cost of bringing infrastructure to the Building M site, he said.

"The problem is, there is zero infrastructure to support (Building M). There's nothing. There's no electric, no gas, no water. ... So the challenge we have is, to start another campus is going to be a big ticket."

Lisa Riggs, president of the Economic Development Company of Lancaster County, lauded Eurofins Lancaster Laboratories and endorsed its expansion plan.

She called Eurofins Lancaster Laboratories "a critical contributor to our economic vitality" and a firm "with a strong track record."

Its expansion plan, said Riggs, is "an extraordinary economic development opportunity and one we are eager to support with whatever help we can provide."

Mindful of the fact that other Eurofins sites are seeking corporate support to grow as well, Riggs said, "We want to make sure Lancaster is the most desirable and most competitive site for them."

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Parking for Building M would be on an adjoining 44-acre parcel <u>acquired in August for \$2.3</u> <u>million</u>. The parcel stretches eastward behind an idle Stauffers of Kissel Hill store.

Help wanted

While the development of Building M would trigger a massive wave of hiring at Eurofins Lancaster Laboratories in the future, the company is trying to hire now too.

The company has 121 job openings at the New Holland Pike complex, said Oostdyk.

To prepare a wave of new hires and spur the advancement of existing employees, Eurofins Lancaster Laboratories has tripled the size of its training center to 6,100 square feet.

Oostdyk described working for Eurofins Lancaster Laboratories as a chance to work at a "worldclass" facility and "a great opportunity for the training and advancement of all levels of scientists.

"We bring in a lot of entry level scientists, and we bring in Ph.D.s and people with years of experience. We pretty much need the whole range of experience levels. ...

"They get exposure to a lot of interesting things here. And, because of the growth of the company, we're in a constant mode of trying to develop new leaders, develop more scientific talent and bring people along," he said.

With the local site's rapid growth recently, there has been lots of training and developing to do.

Just four years ago, when Eurofins bought the local complex, it had 750 employees, according to LNP files.

At that time, Eurofins executives pledged to avoid layoffs here.

Indeed they have. Since then, the local site's workforce has grown by 450 employees.

Behind the growth

Fueling the growth are upturns in the site's main businesses of pharmaceutical, biopharmaceutical and environmental testing for a host of industrial and governmental clients.

Pharmaceutical work involves testing drugs such as aspirin and antibiotics that can be synthesized in a laboratory, as drugs traditionally have been produced.

But Eurofins Lancaster Laboratories now is also heavily involved in testing biopharmaceutical drugs used in gene and cell therapy. These drugs are made by a biological process using living cells.

Biopharmaceuticals bring a major advance in treating cancer, among other diseases. Unlike chemotherapy, which kills both good and bad cells in a cancer patient, biopharmaceuticals target only the tumor.

"It's a very interesting challenge scientifically," said Oostdyk, "because the drugs have multiple pieces. So for a lab like ours, we have to analyze the different parts of the drug."

In addition, Eurofins Lancaster Laboratories has taken steps to boost its environmental testing business, which analyzes air, water, soil and industrial waste.

It's begun serving the Defense Department and doing water testing for the shale-gas drilling industry.

In addition, it's introduced a courier service to serve clients here and opened service centers nationwide where clients can drop off and pick up samples.

Another reason for the growth of Eurofins Lancaster Laboratories is the arrival of other types of lab work.

Two years ago, the local site added a clinical laboratory that tests the blood and urine of patients involved in clinical trials of pharmaceutical and biopharmaceutical products.

The local site also has gotten back into food testing and started testing chemicals used in farming.

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FEATURED JOBS

uo. ro. ro | Education, Training and Library

NON-CDL DELIVERY DRIVER

06.14.15 | Transportation and Material Moving

PC Support Technician

06.14.15 | Computers

Registered Nurse

06.14.15 | Healthcare

On top of that, the New Holland Pike site has been designated the national service center for all 32 Eurofins locations in the United States, including here. The center handles finance, accounting, purchasing and human resources.

More about Eurofins Lancaster Laboratories

- ARTICLE: Land purchase gives Eurofins Lancaster Labs room for new drug-storage building
- ARTICLE: Q&A: Eurofins Lancaster Labs exec tells how it takes its testing skills on the road
- ARTICLE: Eurofins Lancaster Labs spends \$2.3M on land for future growth
- Lancaster Labs lays groundwork for another expansion by buying 44 acres

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