

Firm to map Chandler's wet-lab needs

(<http://www.azcentral.com/community/chandler/articles/0517cr-wetlab0517Z6.html?&wired>)

Luci Scott luci.scott@arizonarepublic.com

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Two biotech companies have moved out of Chandler, and the city is turning away similar out-of-state companies because the city lacks wet labs - spaces equipped for chemical and biological experiments.

Now, in an effort to maintain its reputation as a tech-friendly city, Chandler is taking the first step to reverse the shortage.

Last week, the Chandler City Council voted to spend \$65,000 to hire Facilities Solutions Group in suburban Chicago to help the city encourage bioscience start-ups.

"It will be more than a simple study, it will be the foundation or initial business plan," said William Bailey, managing partner of the Illinois company.

His work could be completed by October, and a 50,000-square-foot structure could be built in about two years.

"The Pfizers and Mercks likely started with one or two scientists working in 600 square feet," said Christine Mackay, a Chandler economic development specialist.

"If we can get the single scientists into the community and nurture them, theoretically their inclination would be to build a warehouse and a manufacturing plant and stay," Mackay said.

Bailey's company would tell Chandler what types of companies would use a bioscience incubator, what the facility should look like, how much it would cost to build and operate, and how the program could be funded.

It also would look into how Chandler could create new jobs and build new companies on the strength in nanotechnology that exists at Intel, Motorola and Microchip Technologies in Chandler.

Building and maintaining wet-lab space is expensive and can be risky for developers, so Bailey's company is expected to also locate funding sources.

Barry Broome, president and chief executive officer of the Greater Phoenix Economic Council, agreed that an incubator would need to be underwritten by a community because emerging technology companies can't pay premium real estate prices.

The average biotech company takes seven or eight years to create returns for investors, Broome said.

Chandler lost Genosensor to Tempe and Cynexus to Phoenix.

When James Xia founded Genosensor in Chandler, he was working in 500 square feet.

"Then I had no wet lab, and I just used some sinks near the restroom," he said. "It was very, very difficult for me. I overcame all the problems. Now I'm in a space of a little over 2,000 square feet, and I'm looking for an even bigger space because we've been growing pretty fast."

He wants 5,000 square feet now and expects to grow into 10,000.

Genosensor sells products to major hospitals and research institutes around the world. His most successful product is micro-RNA, a molecule that regulates genes that could be useful for cancer diagnosis and therapeutics.

"This field is very new and very hot," Xia said. "It's cutting edge."

The other exile from Chandler is Chad Kennedy, president and CEO of Cynexus, which has a dry-eye solution in veterinary clinical trials. If all goes well, he will market it for dogs.

"Originally, we needed wet lab space, and we looked all over the place," he said.

For the time being, he is in downtown Phoenix.

"Chandler would have been optimal for a lot of us," Kennedy said.