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Greater Boston's mix of technology companies has always been diverse, but recently it has developed a distinct international flavor.

A combination of a weak dollar and strong desire to tap the U.S. market has many foreign firms, particularly from Europe, jumping at the opportunity to set up U.S. or North American headquarters. And while Silicon Valley and other tech hubs are also vying for the facilities, Boston has a distinct geographic advantage.

"California or Boston, either one of those places has the talent. (But) with easy ac-

cess by air (to Switzerland), we have the advantage," said **Nicholas Economou**, president of the ALIS business unit of Switzerland's **Carl Zeiss SMT**, which moved its U.S. headquarters to Peabody. "The East Coast is definitely the place to be if you're from Europe."

At least a dozen foreign tech companies, from medical devices to software and semiconductor technologies, have announced establishing operations in the area in the last fiscal year, which ended June 30, according to data from the **Massachusetts Office for International Trade and Investment** and other public announcements. But state

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EUROPEANS: Cheap dollars, proximity to Continent drawing offices

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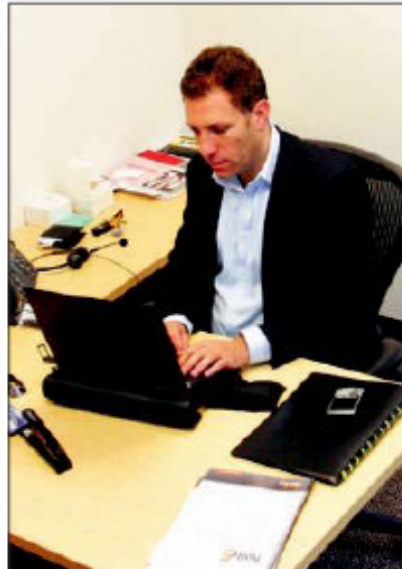
officials say their data is incomplete because at least a half-dozen companies are still keeping their moves under wraps.

Nevertheless, the available figure is up from 11 in fiscal year 2007 and nine in fiscal year 2006.

These new beachheads are often much smaller in scope and stature compared with the high-profile expansions of European companies like **Novartis Institutes for BioMedical Research**, a subsidiary of Swiss biotech giant **Novartis AG**—usually creating dozens of jobs instead of hundreds. But in the aggregate, the openings provide global clout to Massachusetts' technology cluster and their administrative functions create a ripple effect for the area's professional services sector.

Many of the companies are from western Europe, where a flight across the pond is not much longer than a flight across the states. For example, **Sysload Software Corp.**, a French virtualization company, opened U.S. headquarters in Burlington in December and **Soadco/Klockner**, a medical device company in the small, landlocked country of Andorra, said last month it would set up U.S. headquarters in Massachusetts.

Other companies are coming from



W. MARC BERKHAU | BUSINESS JOURNAL

CEO Lance Berks moved Hollyconnects' headquarters from Sydney to Boston.

as far away as Australia to be closer to their European customers or partners. While state officials cite Gov. **Deval Patrick's** focus on marketing the state's technological prowess on the world's stage for the uptick in foreign beachheads, executives at companies coming here said conditions are well-suited for long-planned moves.

"We've been focused on building and developing our business for two years and Boston for us was an obvious choice," said **Lance Berks**, CEO of **Holly Connects Inc.** The speech recognition technology company started in Sydney in 2000, but moved its global headquarters to Boston in May. Even though California is much closer to Sydney than Boston, the company's desire to be close to European business based in London drove it to the East Coast.

At issue is not just travel time, but time zones.

"California only gives us a two-hour window per day to work with Europe," he said.

Helping global companies make the move are a number of foreign economic development arms that, with the state, provide a go-between for those looking to put down roots in the area.

"A lot of companies are looking for access to the U.S. market," said **Prya Radhakrishnan** of **HubTech 21**, a Cambridge group that helps smaller Parisian life sciences and optical electronics companies locate in the area. "(A weak U.S. dollar) definitely makes things easier. It always requires an investment to come here, and the euro goes a lot farther now."

The influx of global firms comes as the state struggles with supporting

and growing locally-based companies before they leave for competing tech regions such as Silicon Valley or North Carolina. But even the strongest technology nationalists admit there is a role for international companies to play.

"If you've got companies that are willing to invest in people and resources, that's a good thing," said **Mark Horan**, executive director of the **Massachusetts Network Communications Council**. "It's a matter of balance."

The group is working with a German developer of software for cable providers looking to move here.

The state trade and investment office estimates that in the past three years international companies expanding into Massachusetts have invested more than \$100 million and added 950 jobs in the state.

While foreign transplants often bring high-paying research, sales and administrative jobs, the ultimate impact on the local tech economy is not clear.

"A lot of that remains to be seen," said **Thomas Sommer**, president of the **Massachusetts Medical Device Industry Council**. "But it does open another channel to research and development concentrations across the world."

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