

## Builder cleans up in biotech



NICHOLAS GRINER

**Dressing for success: AdvanceTec co-founder Tim Loughran watches as Little Optics senior engineer Fred Seiferth suits up to enter the clean room in Annapolis Junction, Md.**

By Michael Hardy  
Staff reporter

Tim Loughran is banking on his belief that Maryland's life sciences industry will take off, so much so that he is reorienting his business of building "clean rooms" used in manufacturing to target the state's biotech companies.

Loughran, co-founder and managing partner of AdvanceTec LLC in Richmond, Va., is about to begin construction on his first Maryland life sciences contract, at University Pharmaceuticals in Baltimore.

As the name implies, clean rooms are special chambers that are kept virtually germ- and dust-free by specialized construction, high air pressure to keep outside contaminants out, filtered ventilation systems and controlled access. They are used in manufacturing optics, computer chips, medicines and other

high-tech products where even a minute amount of contamination could ruin expensive inventory.

AdvanceTec, profitable since its founding in 2000, believes that its business in micro-electronics is going to shrink over the next two years while biotech and life sciences orders will grow.

"In the computer chip business, there is consolidation going on," Loughran said. "All of these companies have started up, and now everything is shaking out. In the life sciences side, with the amount of money that they spend on research and development, there's just tremendous money being spent. All these products in the pipeline are going to have to be manufactured some day."

One of the factors that threatens Maryland's status as a biotech leader is the fact that most of its biotech business is in research, according to many of the state's biotech advocates. Helping com-

panies make the transition from research to production is something the state legislature will have to address soon, David Iannucci, secretary of the Maryland Department of Business and Economic Development, has said.

University Pharmaceuticals runs a contract manufacturing facility, making small batches of drugs for companies conducting clinical trials. The new facility, which consolidates two older locations into one, is under construction at the Holabird Industrial Park in Baltimore.

The clean room that AdvanceTec is building will total about 2,200 square feet, said Jason Rifkin, project manager with Scheer Partners Inc., the commercial real estate company that is overseeing the project.

Clean rooms for bio companies have to comply with the U.S. Food and Drug Administration's regulations for pharmaceutical manufacturing, Rifkin said.

"It's difficult to find someone good that has experience doing these for a biotech or pharmaceutical industry," he said. "Biotech in this area is young, but it's R&D heavy. There aren't a lot of companies doing manufacturing."

Potomac area biotech advocates are hopeful that Maryland's research firms will choose to manufacture drugs themselves rather than farm out the work to pharma companies. But University Pharmaceuticals' small clean room will cost upward of \$600,000, and manufacturing equipment is also costly, Rifkin noted.

Still, "I think it will certainly expand," he said. "The way things are going with facilities, there will be a need for more lab space, but there also will certainly

need to be manufacturing space. The biotech industry is very young, but the only way a company will ever succeed is with products.”

AdvanceTec, which is now in talks with Human Genome Sciences Inc. to take part in the Rockville, Md., firm’s large-scale manufacturing plant under construction, is betting that companies now researching drugs will have some ready to manufacture in the next few years.

Loughran predicts that the firm’s business mix will slide from 80 percent electronics and 20 percent life sciences to 50/50 in less than five years.

The small clean rooms that his company builds now won’t be large enough for production-scale manufacturing; companies will need them expanded.

“Human Genome Sciences is rolling the dice on the products they have in the pipeline,” he said. “When the products

---

### **AdvanceTec LLC.**

**Location:** Richmond, Va.

**Business:** Clean room construction

**Year founded:** 2000

**Number of employees:** 9

Privately held

[www.advancetec.com](http://www.advancetec.com)

---

come out of the pipeline, they’re going to be set up and ready to manufacture them.”

Loughran himself rolled the dice in starting his company, after he and partner John Burton found themselves left in the lurch by a broken promise.

The two were working for a company called Performance Contracting in New York, building large clean rooms for electronics companies. Performance, a Motorola Corp. partner, moved to Richmond in 1995 when Motorola

planned to build a large facility there.

But it never happened. “Motorola put their project on hold, and eventually, very quietly, they just canceled it,” he said.

“The company we were working for didn’t want to be in Richmond anymore. The writing was on the wall and our company was relocating us, and they were talking about Washington, D.C., or Dallas,” he added.

“We just decided we liked our quality of life [in Richmond]. It was literally six days from the time we said, ‘why don’t we start our own company?’ to the time we quit our jobs and were out starting our own company.”