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## Corporate move would mean 200 jobs

### The project hinges on \$3 million state grant

By Jenna Portnoy, OF THE MORNING CALL

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An international chemical manufacturer based in Phillipsburg may move 200 jobs to the Stabler Corporate Center building once reserved for vaccine giant Sanofi Pasteur.

Avantor Performance Materials Inc., formerly known as Mallinckrodt Baker, has a tentative deal to relocate its corporate headquarters to the Upper Saucon business park. The \$6 million project would bring 140 existing employees to Lehigh County, with plans to add 60 more over the next three years.

The deal hinges on a \$3 million state grant that Avantor applied for in the waning days of the Rendell administration. The application is among many awaiting approval by Gov. Tom Corbett. They are all under review, Corbett's spokeswoman Janet Kelly said Friday. Under a lease agreement, Avantor can back out if the funding isn't in place by Feb. 15, according to documents filed with Lehigh County and obtained under the state's Right to Know law.

"We cannot speculate at this time what direction our company will take if the state grant is not approved," company spokeswoman Allison Hosak said in an e-mail. "Our leadership team is currently reviewing all of our expansion options."

Lehigh County Executive Don Cunningham, one of the few Democrats on the Republican governor's transition team, sent Corbett a letter last week stressing the importance of the project.

"We have gotten positive indications from the Corbett administration," Cunningham said in an interview. "I understand, however, because of the large number of commitment letters dumped in the last 30 days of the Rendell administration, the Corbett administration has to sort through the wheat for the chaff."

In addition to Avantor, Lehigh County also submitted Redevelopment Assistance Capital Program grant applications on behalf of Cetronia Ambulance Corps, DeSales University and Lehigh Valley Health Network Muhlenberg. Unlike those nonprofit projects, Avantor means tax revenue for the county.

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"Of all the projects on the Lehigh County list," Cunningham said, "Avantor is most critical for us because it is a company relocation with hundreds of jobs and tax base creation. It's true, real economic development. It doesn't fall into the category of a community project or an institution."

The influx of jobs would be the biggest since Olympus Corp. moved its North American headquarters to the Stabler Corporate Center and "put that spot in Lehigh County on the map for corporate relocations," he said.

Amid the economic recession two years ago, Sanofi, a subsidiary of Swiss pharmaceutical company Sanofi Aventis, walked away from a plan to move to Upper Saucon. Sanofi's efforts to expand a tax break zone were never finalized, despite support from the township, school district and county.

Pete Reinke, vice president of regional development for the Lehigh Valley Economic Development Corp., called Avantor's potential relocation "extremely appealing".

"No matter what someone thinks about RACP," Reinke said, "the fact of the matter remains if that can help bring 200 new jobs to the Lehigh Valley, that to me would be pretty exciting."

If successful, the project would be a mixed blessing for the Greater Lehigh Valley Chamber of Commerce, which also represents Phillipsburg.

"The good news is the Lehigh Valley will retain and assist them in their growth going forward," said chamber President and CEO Tony Iannelli. "The bad news is the Phillipsburg market has lost them."

Avantor looked for offices in both states and reserved the 57,000-square-foot space in Upper Saucon because the company can design the interior the way it wants and the location is close to various amenities and Interstate 78, Hosak said.

Avantor executives who would move to the new location work at the current corporate headquarters on Red School Lane in Phillipsburg and temporary office space about 14 miles away in Hampton, N.J., she said. Phillipsburg plant and research employees would stay put.

Avantor processes and distributes high purity acids, solvents, organic and inorganic chemicals for laboratory, pharmaceutical and microelectronic industries. In addition to the U.S., it has facilities in Mexico, the Netherlands, Korea and Malaysia.

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