

# Alexandria in Boston

**An Interview with Thomas J. Andrews,  
Executive Vice President – Regional Market Director (Greater Boston),  
Alexandria Real Estate Equities, Inc.**



Thomas J. Andrews

**EDITORS' NOTE** *Thomas Andrews has served in his current post since January 2011. He previously served as Senior Vice President, Regional Market Director (Greater Boston) and as Vice President, Regional Market Director (Greater Boston). Prior to that, Andrews served first as Assistant Director and later as Executive Director of the Massachusetts Biotechnology Research Park in Worcester, Massachusetts. Andrews received his Master of Science degree from the Center for Real Estate at the Massachusetts Institute of Technology and his Bachelor of Science degree from Cornell University.*

**What excited you about the opportunity to join Alexandria Real Estate Equities and what made you feel it was the right fit?**

Alexandria was well-capitalized and had a well-defined strategy addressing a market niche with which I was very familiar, since I had spent 11 years developing and managing the Biotech Park in Worcester.

**Would you provide an overview of Alexandria's activities in the Greater Boston region and can you talk about where the growth is coming from?**

When I started with Alexandria in 1999, the company had a handful of properties totaling about 400,000 square feet in suburban Boston with nothing in Cambridge. Now we have over 4.3 million square feet of operating properties and nearly 900,000 square feet of development and redevelopment projects underway. For the past several years, we have focused our investment on urban campus locations like Alexandria Technology Square® and the Alexandria Center® at Kendall Square in Cambridge. We believe that Boston and Cambridge constitute the most concentrated and dynamic life science cluster in the world. We have all of the ingredients for a successful cluster: basic science pioneered by our leading universities, medical schools, teaching hospitals, and research institutes; experienced entrepreneurs and supporting professionals who create and lead groundbreaking biopharma and tech companies; discerning venture capitalists and other funding sources; and an unparalleled pool of scientific and managerial talent.

**For new development, will there be a consistent feel and design or will it be customized to the specific market?**

Our newest buildings in Cambridge and Longwood Medical Area do not necessarily look alike from an architectural standpoint. However, we try to consistently provide attractive and interesting ground-floor retail, lobbies, and gathering spaces, often with outdoor seating and other amenities, which ultimately enable our tenants to attract and retain the best talent.

**How has your client profile evolved?**

Today we are seeing a convergence of life science and technology enterprises – for example, use of “big data” statistics to inform clinical trials. We think this convergence is fostered and enhanced when companies are in close proximity to one another. We also find that life science and technology companies share a desire to locate in places where they attract the best talent so our real estate holdings appeal to both life science and tech companies.

**What advantages does Boston offer for life science, biotech, and tech industries and is that market still a leader in this space?**

In the life science community, especially with regard to the development of new cutting-edge medicines, the Boston region has had a significant head start and retains many advantages over other clusters, not the least of which is the dense geographic concentration of leading institutions and companies in a small section of Cambridge. ●

bring bioscience and life science to New York City. The intention was to put out a white paper and, ultimately, the city was going to undertake a number of initiatives. However, I had no clue the city would end up evolving into the vibrant cluster it is today.

Along the way, we became a part of the RFP process. Without any employees on the ground and never having done a single project in New York, Mayor Bloomberg announced that we won the RFP. We were up against great companies like Boston Properties and Related, family companies that have been in New York for 100 years. We were the only niche specialist and sharpshooter, and we had a dominant position within the life science arena based on what we had created in our other cluster markets, which attracted Mayor Bloomberg to our pitch.

At one of the first public interviews following the announcement, they asked how many people we had on the ground in New York and what we had done, and we said none and that we had never done anything in that market before. I was thinking they would show us the door at that point, but then they asked if they could get testimonials from our tenants and people in the life science industry who knew us. This is how they discovered our sweet spot and what we had that nobody else had. It became clear that if they trusted our financial capability and our ability to execute this project, we would be a great choice.

We were a poster child of sorts for Mayor Bloomberg's efforts to diversify the economy in New York outside of financial services, so for that, I am very proud of what we have accomplished.

**How hard has it been to maintain an entrepreneurial culture, and does it get tougher as you grow?**

It's something I think about and try to promote every day. I also try to make sure that our senior management team remains aware of it. Most of them have been with the company for 12 to 15 years and have retained that drive. We do not have an organizational chart because that tends to make a company very bureaucratic. It is important to be entrepreneurial, and to make quick and good decisions, but not to be overwhelmed. It is important to motivate people to take the initiative, to step it up.

**What do you look for when bringing in talent?**

It is sometimes difficult to find the right people, especially the next generation of leaders with a combination of real estate, life science, and technology skills. By having a great management team and bringing in smart people with diverse backgrounds and skill sets, it can be done. It also creates a barrier to entry for others, which is nice.

**Is LEED certification an expectation today? Will it be a standard going forward?**

LEED development is a standard today – if we don't build LEED today, nobody will come to our properties.

It's tough with buildings like laboratories because they use a lot of power – we need very clean air, clean gases, and clean liquids.

These buildings are inherently more difficult to make LEED certified but we have done a great job. More than half of our annualized base rent now comes from LEED buildings. We only put up new LEED buildings, and over time, we are trying to become more wired. Our New York property received the Platinum Certificate Wired award because it is exceptionally web capable. It was the first building in the U.S. to ever receive this designation.

**How critical has it been to provide all of the necessary amenities to offer the value that you do?**

Our first tenant in New York, Eli Lilly, put a condition in their lease that they needed a healthy restaurant on campus, so we recruited Tom Colicchio to create his venue Riverpark, which has been a home run. We also created a fitness center and a world-class conference center. It is necessary to provide these amenities to create a campus environment, to attract great tenants, and to enable them to recruit and retain top talent. Virtually every campus is highly amenitized.

**As the business has grown, for you personally, has it been tough to relinquish some of the control?**

It's pretty easy. I am a fairly good delegator. I can give direction and I am a strategic person, so I operate at 30,000 feet. However, I'm also on the ground tactically, so I spend a lot of time with our regional leaders and even the leaders behind them, our VP corps and below. I am always giving ideas, providing encouragement and support, and helping them think creatively so they can innovate and get things done. I view myself as a mentor, a risk manager, an overall strategist, and a motivational leader. ●