

ON THE HOT SEAT

### Diversity, discipline, courage

Genzyme leader says success comes by remaining independent and creative

**H**enri Termeer is considered the dean of top local biotech executives. Termeer joined Cambridge-based Genzyme Corp. as president 25 years ago and has been chief executive for 23 of those years. Under Termeer's watch, Genzyme became one of the biggest biotech companies in the world. Today, the company has 11,000 employees, including 4,500 in Massachusetts, and about \$4.6 billion in annual sales. The Marblehead resident also serves on numerous boards, including the Federal Reserve Bank of Boston, the Massachusetts Institute of Technology, and Partners HealthCare System. Termeer, 62, recently spoke with Globe reporter Todd Wallack.

**Genzyme is known for targeting rare diseases, like Fabry and Pompe. But you've expanded into broader areas, like cancer. What's it been like to make the shift?**

We were always quite diversified, even when we were quite young. In the first 10 years, when we had no therapeutic products, we had a diagnostic business and we were supplying research reagents.

**What's enabled you to survive all these years? Diversity?**

Diversity is important. Maintaining a discipline to do those things that you can afford — that's important. Finding ways to finance what you do yourself and not become dependent on a larger partner. For a long time, in those early years, we financed ourselves in many ways to avoid having large deals with the big pharma companies, so we could own our own technology.

**What are you most excited about today?**

I think the best is to come. I'm very excited about the field, the technology and problems that we can still solve. What has not changed in the last 30 years is the enormity of the challenges and the enormity of the need — Alzheimer's, cancer, heart disease, diabetes.



DAVID KAMERMAN/GLOBE STAFF

**Last year, the FDA approved fewer drugs than any other year in recent memory. With all the new technology that has come along, why have there been fewer drugs developed?**

It's very frustrating. We have ideas about the next steps. They may take a while, but there are more ideas in early clinical development. At Genzyme, we work on some magnificent stuff, including Parkinson's, genetic diseases, Crohn's disease, heart disease, cholesterol problems, many exciting things. Much more so than years ago, when we could afford just to work on one thing. The first 10 years we worked on Gaucher disease and these reagents. Now we work on numerous things. We have 120 clinical trials just at Genzyme around the world. Most of them will not work. Some will.

**You're involved in the Boston Federal Reserve. Has that given you a different perspective on the economy?**

It's been a very rich experience. These are fantastic people. They care enormously. They think deeply. They go into a commu-

nity and they look at what is happening at the community in an anecdotal sense and try to connect that to your modeling.

**There's been criticism that the Fed hasn't done enough to disclose who has received the bailout money.**

I think so much happened so fast that there probably is a case to be made that many people don't know stuff that they would like to know. And we will have to work on that and make sure everyone can feel comfortable, because this is the taxpayers' money and people have a right to know.

**What makes you most nervous about the company's future?**

I think any company anywhere that has reached a certain success has the challenge to maintain it. Our success is that we had some courage to do certain things that were pretty strange, pretty out of the box. In the first product we developed, we needed 22,000 placentas to treat one patient. I had more people tell me that this was crazy, including a bunch of MIT professors. And we were successful in doing

it and then replacing it with recombinant technology. So the courage to do things. The courage to innovate.

**With the current market turmoil, a lot of companies are being cautious about making acquisitions. But I imagine you could also buy companies at a more attractive price.**

The thing that limits companies like us in using this moment of opportunity to say 'There are so many inexpensive biotech companies that we should buy loads of them' is that you have to continue the research. And the research is the expense. So you can easily get yourself into difficulties by taking on too much that you can't finance internally. So we are very careful.

**I heard you like to sail.**

I have an old Hinckley Pilot [sailboat]. I sail it most often by myself along the Maine coast. We have a home there, so we spend every moment we can, including the winter, in Maine. It's very nice, very quiet. It's just a great way for me to get away, to be with my daughter and my wife.