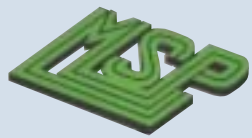


# PARTNERSHIP IN PRACTICE

Professor John Allen



1984 1985 1986 1987 1988 1989 1990 1991 1992 1993 1994 1995 1996 1997 1998 1999 2000 2001 2002 2003 2004

mosp  
manchester science park



20th Anniversary



MSP 1984-2004



**‘Manchester Science Park was a founder-member of the UK Science Park Association and remains a major innovator and contributor to both the science park movement and helping companies drive technology up the value chain. The Association congratulates Manchester Science Park on its 20th Anniversary and its success as an enterprise, and sends its good wishes for continued future success’**

**Dr. Malcolm Parry, Chairman UK Science Park Association, 2002-2004**



## Foreword

I had the pleasure of opening the first four buildings on Manchester Science Park, and I particularly recall that those who were responsible for its establishment in 1984 held high hopes for its future.

These hopes have been realised. During its twenty years, it has grown to become an internationally-recognised focus for technology-based businesses, while at the same time creating employment for the local community of Hulme and Moss Side and helping in the education of its young people.

So I congratulate everyone concerned with Manchester Science Park on its twentieth anniversary. You have done a wonderful job! I also offer my very best wishes for your continued success in the future.

HRH THE DUCHESS OF KENT





# Preface

Those of us in innovation and regional regeneration now see science parks as a familiar part of the scene. However, when it was established twenty years ago, Manchester Science Park (MSP) was one of the first in the UK, and those responsible had to climb the learning curve themselves.

Although the intention is to present the facts accurately, this book's purpose is as a *celebration* – of people, key decisions and events – and to pay tribute to those who have contributed to its success. I am sorry that it is just not possible to include everybody, but you can see a more detailed version on the MSP web site at [www.manchestersciencepark.co.uk](http://www.manchestersciencepark.co.uk)

Besides providing a focal point for technology business in Manchester, MSP has also contributed something else. The Science Park partnership, in which the key players were prepared to give up something for the ultimate benefit of the whole, was



the first such partnership of many in Manchester, and they have been a key characteristic of Manchester's recent success. One thinks of the Olympic bid, the hugely successful Commonwealth Games, and, close to MSP, Hulme Regeneration Ltd – all were based on this same kind of partnership.

I am fortunate to have been involved with MSP for well over a decade, and it has been a privilege to work with so many wise and committed people. They have shared the vision of MSP and were willing to give up their time and energy for its benefit. They were also kind enough to allow me to delve into their memories to reminisce about the earlier days.

It has been a real pleasure to write this book, since it allows me to offer a warm 'thank you' to everyone.

JOHN ALLEN



**'Key players  
were  
prepared to  
give up  
something for  
the ultimate  
benefit of the  
whole'**



# Manchester, always a city of innovation

**Manchester** has always embraced rather than resisted change. It was the home of the first industrial revolution, when steam power supplanted muscle. Crompton's Mule and Kay's Flying Shuttle have long been part of our history books. So too is Sir Frederick Henry Royce, whose first business was established in Cooke Street, Hulme, two years before he first met Charles Rolls.

Scientists intimately associated with Manchester include Joule, after whom the universal unit of energy is named; John Dalton, the discoverer of the atom; and, in the twentieth century, Ernest Rutherford, the man who first split it. At the other extreme of size, radio-astronomy was pioneered by Sir Bernard Lovell with the University of Manchester's famous radio-telescope at Jodrell Bank.



JOHN DALTON,  
THE DISCOVERER OF  
THE ATOM

Manchester has also played a critical part in the 'second industrial revolution', in which we still live. The theoretical basis of computing was set out by the brilliant Alan Turing. And the initial step towards a practical computing machine, the first stored-programme computer, was invented in 1948 by two Manchester University (VUM) scientists, Williams and Kilburn.

Manchester is, and always has been, a trading city, and perhaps it is this which most distinguishes it from other prestigious university cities in the UK. It has been a source of entrepreneurs able to seize on the brilliance of its scientists and engineers, and successfully exploit the discovery or invention.

So it is not surprising that Manchester's culture of welcoming new ideas should be the home of one of the UK's most successful science parks.



RADIO ASTRONOMY, JODRELL BANK,  
RADIO TELESCOPE

**'It is not surprising that Manchester's culture of welcoming new ideas should be the home of one of the UK's most successful science parks'**



# Before it started

## Manchester in the 1980s

Even Manchester's innovative attitude was not immune to the wholesale loss of heavy industry which beset the UK's economy in the late 1970s and 1980s. Shipyards, steelworks, coal mines and large engineering works closed or were drastically reduced in size.

Over 200,000 manufacturing jobs were lost in Manchester between 1972-1984, and unemployment in the inner city reached 20%.

"Times were desperate", says Mick Moore, who became Manchester City Council's (MCC) first Director of Economic Development and a founder-Director of MSP. "Whole families were suddenly thrown out of work."



**'The City Council and the University**

## Necessity: the mother of innovation

Regional economic planners in the UK faced similar problems. They knew that the steelworks and huge engineering plants were gone for good. All the answers pointed to the encouragement of a diverse economy based on new knowledge.

But where was there a reservoir of creativity and ideas which could give this new concept of a 'knowledge economy' the momentum it needed?

Of course: the universities!

Thus the City Council and the University of Manchester began to realise that there was mutual benefit to be gained by collaboration. It was Jack Hadwin in Manchester City Council's Industrial Development Unit in 1978, who started a dialogue with Dr Eddie Duff, the Research Consultancy Officer at VUM, and they became aware of an interesting new phenomenon, the science park.



THE VICTORIA UNIVERSITY OF MANCHESTER

began to realise that there was mutual benefit to be gained by collaboration'



They visited Cambridge Science Park in 1979, when its first phase had just been completed; Eddie recalls a successful day, only marred by their car running out of petrol on the way back!

These early parks, however, were not driven primarily for regional economic development, but aimed at benefiting their universities. Could the same concept be employed to develop a flow of exploitable technology in an economically-depressed inner city like Manchester?

Professor Dennis Welland, the Acting Vice-Chancellor of VUM, supported the concept and in 1981 a Manchester Science Park Steering Group was formed. However, MSP was not immediately and universally appreciated.

Some members of the University of Manchester and MCC were critical. Fortunately, the project was strongly supported by Cllr Jack Flanagan, the Chairman of MCC's Economic Development Committee: Jack became a founder-director of MSP, and greatly assisted its development.



**‘We have excellent staff retention but constantly recruit new staff in support of our software development; being close to the universities gives us very good access to part-time staff with excellent skills. We aim to have a significant presence in the industrial and emerging countries and we are confident that Manchester is the right place to do this from’**

**Expansys -  
mobile computing and communications  
MSP Tenant**

## Cometh the hour...

**Robin Skelton**, a highly-respected Manchester lawyer specialising in technology licensing, was invited to become the first Chairman of MSP - several have commented that 'invited' was hardly the word: Robin was so obviously the person for the job.

What caused Robin Skelton to have a vision for MSP which has stood the test of time? He was often crossing the Atlantic (sometimes by Concorde) to confer with American colleagues. On one of these occasions he visited Duke University in North Carolina, one of the founding institutions of the famous Research Triangle Park, formed way back in 1959.

Is it too fanciful to imagine that what he saw there helped him to realise what might be possible in Manchester?

Whatever the catalyst, there is no doubt that Robin Skelton's appointment was the key step. He possessed unusual foresight, determination and enthusiasm. It was he who insisted that the private sector should be involved with the academic and civic representation; it was largely he who brought it about. And it was he who devised the tripartite system of shareholding for MSP, with roughly equal shares held by each of the civic, academic and commercial sectors.

## 'Robin was so obviously the person for the job'



He also allowed for four independent Directors, who could be appointed for their relevant expertise and experience.

The Principal of UMIST, Professor Harold Hankins, also gave his support, and Professor Michael Burdekin, their Pro-Vice-Chancellor for External Affairs, became a Board member. Manchester Polytechnic (which became Manchester Metropolitan University) expressed an interest, but it was to be over a decade before they too became shareholders in the Science Park.

Robin was able to obtain commitment from a number of local firms who were prepared to invest a modest amount of cash in the project, including Fothergill & Harvey (which eventually became part of the Courtaulds Group), Granada TV and Ferranti.

However, a notable commercial shareholder was (and remains) Ciba. Their Research Director, Dr. James Grigor, was an enthusiastic supporter and went on to play a major role in guiding the development of MSP. When he left Ciba, he became Chairman of the Central Manchester Development Corporation, where his experience of encouraging public-private sector co-operation was of immense value.





# Preliminaries

By 1980, the present MSP site had been identified, but it had been designated as a site for school playing fields. The City Council and VUM had just three weeks to complete a bid to get the land re-zoned for use as a science park.

The City Council agreed to a lease on the site and secured an Urban Development Grant to provide the capital for the first building. Manchester Science Park Ltd was thus established not for property investment, but to manage the building, promote the Park and plan its further development. The construction of Enterprise House was completed in the summer of 1984.



THE OLD ABBEY PUB, PRE 1984

**‘An application for compulsory purchase of the pub was made and the locals held their breath’**

**One of the literally central features of the site is The Old Abbey pub.** MSP’s first Chief Executive, Derek Burr, like his successors, was concerned about its scruffy appearance, which, until its face-lift in 2004, did little to enhance the ‘high-tech business’ image of the Park.

An application for compulsory purchase of the pub was made and the locals held their breath. The Manchester Evening News of 25 March 1985 records a strong exchange of opinions between Derek and the landlady of the pub, a march of locals led by her son, and the eventual reprieve of what it described as ‘a shambling monument to the days when it was at the heart of a bustling Manchester community.’



## The first CEO

**Derek Burr** had an engineering background, but, interestingly, is the only CEO who is not a chemistry graduate. He started work at MSP in January 1984. He has good reason to remember his job interview: “I arrived in Manchester in good time for the interview in the offices of March Pearson & Skelton, with a letter telling me to go to 14 Deansgate. When I got there, number 14 turned out to be a bookmakers!



“With an impending sense of panic, I tried in vain to find a nameplate and asked several passers-by where the Manchester lawyers were based. Eventually I was told that the correct number was 40 and not 14, and I got there just in time.”

Derek’s work, supported by the Administrator, Sue Rainford, focused on promoting the Science Park (and very few then knew what a science park was) and attracting the first tenants. There was a formal launch at a dinner in Manchester Town Hall on 20 March 1984, which included many of the opinion-formers in Manchester and its universities, and Lord Bellwin, the Minister for Local Government.



*THE FORMAL LAUNCH AT A DINNER IN MANCHESTER TOWN HALL ON 20 MARCH 1984*



# Open for business

MSP was formally opened by HRH The Duchess of Kent on 12th December 1984. This was the first of four such visits by the Duchess, who has always taken a real interest in MSP and what it has achieved.

The task then began of filling Enterprise House with suitable tenants. The word 'suitable' is significant, since it has always been considered to be important to offer accommodation to only those organisations which have a technology-based product or service or which can offer services to such organisations. Indeed, the Joint Venture Agreement which forms the legal basis of the Science Park makes this restriction explicit.

During the following years, it would have been commercially tempting to fill the space with reputable companies which had little or nothing to do with technology or the University. If this had happened, the focus and objective of the Science Park would have been compromised. MSP's Board has been careful to maintain this focus, and it has now borne fruit.



## Some of the tenants

### The first ones

The first tenant was Thinking Software, a local company involved in the development of UNIX-based software. A UMIST spin-off, Textile Computer Systems, was soon to follow, and they stayed at MSP until 2000.

### Vuman

A significant arrival in late 1985 was VUM's technology commercialisation company, Vuman. They expanded several times and relocated twice before they departed some 14 years later to University premises, and metamorphosed into Manchester Innovation.

### Ultrafine Chemicals

Salford Ultrafine Chemicals and Research arrived in 1986. Their speciality was the preparation of high-value research chemicals for the pharmaceutical industry. It was led by one of the UK's first true university entrepreneurs, Dr Feo Scheinmann, who had been a Research Fellow in Chemistry at the University of Salford. Ultrafine Chemicals (UFC), as it later became, grew and remains on MSP. It was bought by the US-based Sigma-Aldrich fine chemicals group in 2004 and renamed SAFC Pharma.

## Moving things on

Derek continued his efforts to fill Enterprise House and to keep MSP on target, but he was also looking to develop it further. A second Urban Development Grant was obtained, but considerable additional funds were needed.

It was at this point that John Townson first came onto the scene. The Townson family from Bolton has a long and distinguished tradition in commercial property. After long discussions with the Board, an ingenious financial package was put together, involving the grant, some capital from MSP and the issue of some preference shares. This did the trick, and work on the second phase started in July 1988.

After this, the Board recognised the need for in-house property advice, and appointed John Townson as an independent Director, a position he retains to this day.



**'It would have been commercially tempting to fill the space with reputable companies which had little or nothing to do with technology or the University'**



# A change of driver

In 1986, Derek Burr accepted the job of Chief Executive of Birmingham Research Ltd., where his talents in business finance and development could find further expression.



Dr Tom Broadhurst, an ICI man, was then appointed CEO of MSP. “Things were tight at the Science Park in those days”, he recalls, “And I ran it lean and mean. We made it work, and I could not have had better support from the Board.”

Tom attracted a number of notable tenants to the Science Park, including the northern office of the British Technology Group and the Centre for Exploitation of Technology. The latter was a particularly important ‘catch’, since there was strong competition from all around the UK.



## Lasting tribute

Construction of the second building had only just started when Robin Skelton suffered a sudden heart attack and died on 23rd August 1988.

Research for this book has elicited almost the same words from everybody interviewed who worked with Robin: “He was a fine man”. He was also a man of vision, who could see what MSP had the potential to become, devise an organisation to make it happen and then see the project through to implementation. The Board realised the debt they owed their Chairman and immediately named the second building Skelton House in tribute.

**‘Things were tight at the Science Park in those days and I ran it lean and mean’**

## Keeping faith

A new Chairman had to be found. To his apparent surprise - but probably to no one else’s - the Board decided upon Professor Michael Burdekin.

During the following years, there were some changes in the Board. Ferranti went into liquidation, and the shares were transferred to the 3i Group; Fothergill & Harvey were bought by the Courtaulds Group; and Courtaulds and Granada played a lesser role than they had at the beginning.

Ciba kept an interest however, and, when Dr James Grigor departed to become Chairman of the CMDC, they replaced him eventually with Ian Stewart, who remains as a long-standing, wise and very supportive Director. Dr Grigor was also reappointed as an Independent Director.



# The second building opens fully let

The Directors were delighted that Skelton House was 90% full by the time it was formally opened, again by HRH The Duchess of Kent, on 4th October 1989.

There were some interesting tenants, too...

## Colgate Palmolive

Colgate moved their Dental Health Unit to Skelton House because of its convenience and proximity to the Dental School at the University of Manchester. They continue joint work on prevention of caries and periodontal disease, and their Director has a visiting professorship at the University.

## Medeval

Medeval has grown to become one of the largest European organisations planning and conducting clinical trials on behalf of major pharmaceutical companies. They have grown from an original 3 people to around 300, and have undergone numerous expansions, all on MSP.

Their management bought themselves out from University ownership in 1999. They continued to grow and they themselves were bought by Icon in 2003, and a 1000 sq. m. extension to Skelton House was constructed for them.



NAMES CAN SOMETIMES CAUSE CONFUSION, AND JOHN ALLEN REMEMBERS A LETTER CLEARLY ADDRESSED TO 'MEDIEVAL LTD, SKELETON HOUSE', WHICH HE FELT HAD A WONDERFULLY GOTHIC RING TO IT.

## Pipeline Developments

PDL was the idea of a husband and wife team, Phil and Jackie Marshall, together with Malcolm Birch. Phil was Professor of Polymer Engineering at the then Manchester Polytechnic and the others were both Research Fellows. Their company, undertaking development and consultancy on the use of plastic pipelines, grew successfully throughout the next decade in Skelton House before they moved to bigger accommodation in Salford.



**'MSP was instrumental in securing the accounting and legal service providers that we needed, and in finding our financial director. The MSP team gave us support in our start-up phase that gave us confidence in ourselves'**

**Fluma - safety valve technology for the gas distribution industry**



## Personalities

Organisations depend greatly for their success on key senior people. However, there are many others who have shared an enthusiasm for the Science Park, and have given commitment, often over many years. The good reputation of the Park is in many ways made by people working out of the spotlight, providing a good and cheerful service.



Bill O'Connor typifies these. Bill was appointed as MSP's first Steward, which is really a portmanteau term for porter, security officer, car park attendant, post-sorter, receptionist, furniture mover, light-bulb changer,

storekeeper, general help and inveterate story-teller. He was appointed in February 1987, retired in July 2001 and he never missed a day's work through illness.

However, Bill is but one member of the O'Connor clan. Peter and Fred O'Connor have also played a valuable role as the Park's independent, but very effective, builders and decorators. They must have erected partitions in virtually every unit – and probably taken them down again too.

Tom Broadhurst appointed a Junior Administrator, Diane Lestrangle, who was first located in a cramped corner of the Park's office in Enterprise House, with a telephone perched on an upturned wastepaper basket. By the time she left in 2003, she had been Personal Assistant to the Chief Executive for about six years. John

Allen recognised her potential: "She was so helpful to the tenants - even the awkward ones. She was always keen to get involved in events, even five-a-side football with the tenants."

She also threw herself into collecting for Comic Relief or 'Red Nose Day'. One year she dressed herself entirely in red – face as well – and appeared like this in front of the Board, which coincidentally were meeting that day. "They were so shocked" she recalls, "They had no choice other than to turn out their pockets."

When Diane departed in 2003 for an exciting opportunity in the NHS, John Foster inherited her position as MSP's longest serving employee. John joined the Park in January 1998 as a night security officer and still works alongside his eight colleagues. However, John plays an entirely different role in his off duty hours as the chef in The Sidings, his local pub in Levenshulme.



**'The good reputation of the Park is in many ways made by people working out of the spotlight, providing a good and cheerful service'**



# Synergy

By 1989, MSP had acquired management of one building and ownership of another, both of which had filled well. There was every reason to continue the growth, but again the economic climate took a downturn.

The decision was taken to lease one of MSP's sites to the Greater Manchester Property Venture Fund, who agreed to construct a building, which would thus allow expansion without further financial risk to MSP itself. Although MSP attempted to persuade the owners to allow it to market Synergy House as part of the Science Park, this was rejected and the property was placed in the hands of conventional property agents. The fact that three further buildings on MSP were constructed and filled before Synergy House was completely let, suggests that this decision was unwise.

By the beginning of 1993 Tom decided that it was time for him to retire. In fact, 'retire' is hardly the word. He went back to Manchester University as a mature student and took a degree in the History of Art in which he achieved a first!

Other changes around this time included a new Board member from the City Council, Neil Fountain, who has since moved to become Chief Executive of MIDAS.



SYNERGY HOUSE WAS OFFICIALLY OPENED BY HRH THE DUCHESS OF KENT IN MARCH 1993. MICHAEL BURDEKIN REMEMBERS THE FORMAL OPENING WELL. THE SNAGGING PROCESS HAD ONLY JUST FINISHED, AND HE REMEMBERS THAT A PROBLEM WITH A STICKING LIFT HAD BEEN IDENTIFIED AND APPARENTLY RECTIFIED.

AS SCHEDULED, HE ENTERED THE LIFT WITH THE DUCHESS AND HER LADY IN WAITING. THE DOORS CLOSED AND HE PRESSED THE BUTTON FOR THE FIRST FLOOR. NOTHING HAPPENED. SO HE TURNED TO THE DUCHESS AND SAID, "MADAM, WOULD YOU PERMIT ME TO TRY AN ENGINEER'S SOLUTION?", AND KICKED THE DOOR – WHEREUPON THE CONTACTS MET AND THE LIFT ASCENDED.



## Change at the top

In 1993, Dr. John Allen was appointed CEO, a chemist by degree, with both considerable academic experience as a director of research in biochemistry, plus some ten years experience in developing the Newtech Innovation Centre in North Wales. Soon after his arrival, John said, "If I had to describe MSP in one word it would be 'potential'." And he still says exactly that, 11 years later.



### Early advantages

John appreciated the importance of maintaining good relations with Hulme Regeneration Ltd. (HRL), the partnership which had been established to oversee the development of Hulme and Moss Side.

HRL had begun to realise the potential of the internet and, encouraged by John, they saw a mutual advantage in installing a broadband link to every unit in the Science Park. This enabled MSP to be the first science park in the UK to be cabled up for broadband. These days, when broadband is universal, it is not so easy to appreciate the impact of this development: at the time, it was a major advantage.



**'MSP was the first science park in the UK to be cabled up for broadband'**

## Splashing out

John addressed the challenge of the next building. He felt strongly that the Science Park needed to have more assets of its own. He obtained a grant from the European Regional Development Fund (ERDF) which was supplemented by a Bank loan. The City Council had agreed on the broad planning requirements and HRL welcomed this further opportunity for wealth creation in Hulme.

Unfortunately, the site included a small ‘pond’ – a large puddle is a better description, since this derelict patch of water was no more than 5 metres across. It

was dirty, oil-streaked, had rubbish dumped in it, and a smattering of expanded polystyrene beads decorated its surface.

It was also home to a few species of wildlife, notably a small number of greater crested newts, and when local conservationists heard of the plans, uproar ensued. MSP, being environmentally conscious, obtained an independent consultant’s report which suggested that the few species of interest there could easily be re-housed.

MSP agreed to arrange and to pay for this, but this had scant effect on the local action groups. They mounted a protest on the day the work started, chained

themselves to railings, and, on a bitterly cold February day, were evicted by bailiffs under Police protection.

Eventually, the site was cleared, the pond drained, the newts taken to their new home and the protesters dispersed. It was later discovered that the ‘pond’ was not a natural one in any way, but had been generated by leakage from an old water main! Nevertheless, although John Allen recalls the occasion with wry amusement, “It was not pleasant. Many of us at MSP were just as environmentally concerned as the pressure groups, and wanted as little damage to urban wildlife as possible.”



**‘The International Association of Science Parks sends its congratulations to Manchester Science Park on its Twentieth Anniversary. MSP was one of the first UK parks. It has grown into a significant centre for innovation and technology transfer, and it is recognised internationally for its work. Best wishes to MSP for the next 20 years’**

**Luis Sanz, Director General, International Association of Science Parks**



# A springboard for growth

## The tenth anniversary

Whilst Rutherford House, the fourth building, was being built, MSP celebrated its 10th anniversary. Graham Stringer MP - then the Leader of the City Council - presented a speech of congratulations and cut a cake shaped to represent Rutherford House.

Rutherford House was 75% let by the time it was formally opened on 14th February 1995 by HRH The Duchess of Kent. In retrospect, it marked a major turning point for the Park. It now owned two buildings and managed another two: the increased asset base and income stream gave the Park a 'critical mass', and it moved into long-term viability for the first time.

One of the new tenants was Gerber Garment Technology, a subsidiary of Microdynamics Inc. of Dallas, Texas, which, with its skills in computer-aided design and manufacture for the clothing industry, complemented the presence of Textile Computers from UMIST.



MSP'S 10TH ANNIVERSARY. LEFT TO RIGHT: GRAHAM STRINGER, DR JAMES GRIGOR, PROF HAROLD HANKINS (PRINCIPAL OF UMIST)

The additional space also meant that an informal café could be provided, and the Mange Tout Coffee Shop opened in Rutherford House. It was managed by Nui and Lek, two Thai ladies with considerable experience in catering, and offered the only truly Thai food on any UK science park. The Mange Tout remained the mainstay of the catering facilities on the Park until the new restaurant in Enterprise House opened just before MSP's 20th Anniversary.



**'Manchester Science Park is a great setting for our European Headquarters: it is located close to air and rail networks, and provides an excellent working environment in a self-contained business park located at the heart of Manchester City Centre, so you really do get the best of both worlds'**

**TECO Information Systems Europe - International manufacturer of LCD Monitors, Plasma TVs, Projectors and Windows Based Terminals**

## New Chairman

In late 1995, MSP's Chairman, Professor Burdekin, FRS, stood down, having shepherded MSP safely through some of its most critical years. He was replaced by Professor James Grigor OBE.

He and John Allen worked well as a team, and they capitalised effectively on the Park's steadily improving financial position. They saw Cllrs. Brian Harrison and Joyce Keller appointed as City Council Directors, both of whom subsequently played an active part in supporting further development.



PRESENTATION BY DR GRIGOR TO MICHAEL BURDEKIN (RIGHT) ON HIS RETIREMENT

**‘MSP was able to provide a comprehensive range of facilities, combined with attracting external business support, which greatly assisted our expansion and journey to maturity’**

Laser Quantum Ltd - Manufacturer of solid-state laser systems

## LASER QUANTUM

THROUGH 1995-7, MANY NEW TENANTS ARRIVED, SEVERAL OF WHOM HAVE EXPANDED A NUMBER OF TIMES AND REMAIN IN BUSINESS.

ONE SUCH EXAMPLE IS LASER QUANTUM, WHO STARTED LIFE IN MANCHESTER UNIVERSITY. THEY TOOK AROUND 400 SQ. FT. IN ENTERPRISE HOUSE AND THEN BEGAN TO GROW. OVER THE FOLLOWING YEARS THEY EXPANDED THREE TIMES, WON SEVERAL OF THE GOVERNMENT'S SMART AWARDS AND DEVELOPED AN INTERNATIONAL MARKET FOR SMALL, EFFICIENT LASERS.

EVENTUALLY, THEY GREW TO THE POINT WHERE THEY DECIDED TO MOVE FROM THE PARK AND BUY A BUILDING OF THEIR OWN IN THE MANCHESTER AREA. THEY REMAIN IN BUSINESS, AND ACKNOWLEDGE THE HELP THEY HAD FROM MSP AND THE ENVIRONMENT IT PROVIDED.



## New shareholders

John Allen and Jimmy Grigor felt there would be a great mutual advantage if Manchester Metropolitan University (MMU) were also to become shareholders. Discussions were successful and the Science Park was then able to boast that all three of the universities in the City were involved.

Professor Barry Plumb, MMU's Pro-Vice Chancellor, has been a Director from that time. The development of MMU into a fine and distinctive University has been to the advantage of Manchester in general and MSP in particular.

John also felt that the involvement of the commercial group of shareholders should be strengthened. One element of this was the appointment of the maverick Anthony Wilson (of Hacienda fame) as Granada's representative; his support in general, especially his input on marketing, image and promotion, was exceedingly valuable.

**'The Science Park was then able to boast that all three of the universities in the City were involved'**

## Balance sheet

However, the major changes of ownership were to replace Courtaulds' and Ferranti's shareholding by the National Westminster Bank plc and 3i Group plc. This was done as a means of providing 'hot lines' for tenants who might need equity or debt finance to expand. Over the years, this has worked well: NatWest maintains links with many MSP companies, and 3i has expressed its pleasure with the quality of investments they have made in MSP tenants.



## NEW TECHNOLOGY

AS AN ASIDE, MSP WAS AT THE FOREFRONT OF COMMERCIAL USE OF THE INTERNET, AND OPENED ITS WEB SITE IN JULY 1996. IT SEEMS AMAZING NOW THAT IT WAS FELT NECESSARY TO TELL THE TENANTS, "MANCHESTER SCIENCE PARK NOW HAS ITS OWN WORLDWIDE WEB SITE. IF THIS SOUNDS LIKE GIBBERISH TO YOU IT MEANS THAT YOU ARE MISSING OUT ON THE REVOLUTION IN COMMUNICATIONS." HOW QUICKLY TIMES HAVE CHANGED!

**'Manchester Science Park now has its own Worldwide Web site. If this sounds like gibberish to you it means that you are missing out on the revolution in communications'**

# New buildings

During 1996, two buildings were planned to develop the remaining plot adjoining Lloyd Street North and Burlington Street, and construction of the first (Phase 5) started in March 1997.

It was agreed that the two buildings should be named after Williams and Kilburn, the two Manchester University scientists who - only a stone's throw from the Science Park - had invented the world's first stored-programme computer in 1948. It was appropriate that Lady Williams opened Williams House on 7 September 1998, and, later, Tom Kilburn himself (pictured) opened Kilburn House on 21



June 2000. So many people there were impressed to be in the presence of this mild and unassuming man, who had made an impact on our lives and all those to follow.

Williams House was 93% full on completion in February 1998, and MSP was again in the position of having too little space to satisfy immediate demand. Similarly, Kilburn House was virtually fully let some 3 months before its completion. During 1998-2001, the Science Park remained virtually fully occupied.

## Strengthening finances

The improved financial position of MSP meant that it was able to purchase its first building, Enterprise House, from the City Council. This transaction marked the transformation in the Park's finances from a struggling new company into a viable commercial operation.

## The 'dot.com bubble'

In February 1998, John Allen was approached by Mike Kelly, who had been working in the Manchester Computer Centre and who had an idea for a company. He was given a lease on 5,000 sq. ft. to start Telecty, a company providing co-location services, IT infrastructure management and managed IT services.

Mike managed what can only be described as explosive company growth. Telecty took a large proportion of Williams and Kilburn Houses, and also a number of properties in London and other European cities. Within two years from start, Mike floated Telecty on the London Stock Market and realised over £700M - 'from zero to \$1B in two years' was the slogan which Telecty, 3i, and other investors in it proudly used. And so did the Science Park.

Alas, mid-2000 was the time when the 'dot.com bubble' burst, and Telecty found itself in crisis. It did not collapse completely in the way which many others did, but it lost most of its value and underwent several major changes.

Hard work and determination are now paying off. Telecty remains on MSP, still has nine data centres in seven cities around Europe, won the 2003 award as the best UK co-location provider and, best of all, is moving into profitability.





## Continuing partnerships



*CELEBRATING THE FORMATION OF MANCHESTER TECHNO PARK LTD ON 21ST MAY 1999. LEFT TO RIGHT: NICK POCHIN (CHAIRMAN, POCHIN'S PLC); JAMES GRIGOR (CHAIRMAN, MSP). BACK ROW: JOHN WOODCOCK (CEO, POCHIN'S PLC); JOHN TOWNSON (DIRECTOR, MSP); DAVID SHAW (FINANCE DIRECTOR, POCHIN'S PLC); JOHN ALLEN (CEO, MSP).*

Earlier, in 1997-8, it became apparent that the Science Park's main site could soon be fully built, and it would soon run out of land. Once again, discussions with Barbara McLoughlin of HRL provided an answer.

Birley Fields, on Princess Parkway, had been designated a prime site for commercial development. It was over 20 acres in total area and directly on the main airport-city highway. Despite this, commercial property agents then felt that its location condemned it to 'light industrial with a little residential development'. They have now changed their view.

Neither HRL nor MSP agreed with this, and worked together to start development of a second location for MSP on Birley Fields. However, MSP did not have the financial resources itself to undertake such an exercise, and a partner was needed. After several interviews, MSP met with Pochin's PLC, a family firm of developers and builders, with a good record in commercial property and a management team which understood what MSP was trying to achieve. This resulted in a new equal joint venture company called Manchester Technopark Ltd, and the deal was agreed on 21 May 1999.

Three buildings have been constructed on the Technopark, which are currently filling. The Technopark Board remain confident of success and are planning future developments. This, however, is another story.



# Towards the millennium

Both James Grigor and John Allen decided that they should retire during 2000. Dr. Grigor had played a major strategic role in MSP since its inception in 1984, and had gone on to be a distinguished Chairman both of MSP and of the Central Manchester Development Corporation.

John Allen's achievements at MSP and his knowledge of science parks in general led the Board to invite him to succeed Dr Grigor as Chairman, which he accepted with pleasure. He remains as Chairman today. He has twice been Chairman of the UK Science Park Association (UKSPA), and his work was recognised in 2004 by an award from UKSPA (coinciding with its own 20th anniversary) as 'the individual who has made the most outstanding contribution to the Science Park movement nationally over the past 20 years.'

In 2000, however, the task was to find a new Chief Executive. As for the appointment of all MSP's CEOs, the number of applicants for the post ran to nearly 200. From these, Jane Davies was selected.



Jane had an immensely varied background. A chemist by degree, she had broad commercial experience in a number of guises with BP, had worked in the Foreign Office think-tank and - in complete contrast - had managed a major music festival (her husband is a distinguished opera conductor).



## Greenheys

THE LAST MAJOR PROJECT JOHN WAS INVOLVED WITH BEFORE HE RETIRED AS CEO WAS TO PURCHASE THE GREENHEYS CENTRE FOR MSP. THIS CENTRE WAS A SET OF MANAGED UNITS OWNED THEN BY THE NORTH WEST DEVELOPMENT AGENCY.

"I HAD MY EYE ON GREENHEYS SINCE I FIRST ARRIVED" EXPLAINS JOHN. "IT WAS NEXT DOOR TO THE SCIENCE PARK, AND CONSISTED OF AROUND 60 FAIRLY SMALL UNITS WHICH WERE ABSOLUTELY IDEAL FOR NEW COMPANIES WHICH DID NOT WANT TO MAKE A LARGE, LONG-TERM COMMITMENT TO RENT. WITH THE TECHNOPARK ABLE TO SUPPLY FUTURE NEEDS FOR THE HIGHEST QUALITY ACCOMMODATION, THE SMALL UNITS AT GREENHEYS WERE JUST WHAT WE NEEDED FOR THE NEWER COMPANY."



# Teams and networks

By late 2000, the expanding size of the Park, the construction in progress on Manchester Technopark (MTL), and the increasing income stream from the rents from the new buildings made a number of changes either essential or desirable.

So, Jane Davies quickly instituted a number of developments to meet the perceived needs. One was the institution of 24-hour in-house security. The time was right to assemble the Science Park's own security team, and this is now an important part of the service offered to tenants.

Another was to seek further investment in MSP. It was pleasing that Pochin's PLC made a very suitable offer, which was a welcome addition to MSP's equity base by its partners in MTL. It was also a tangible expression of the mutual confidence and goodwill which continues to exist between MSP and Pochin.

## In off the deep end

Jane's years as CEO have been busy. There was the new Greenheys building to smarten, manage and promote. There were six other existing buildings on MSP and a further three at various stages of planning and construction on MTL.

Greenheys filled well and has become an asset to MSP in every sense. MSP's finances remained on or better than target. Medieval expressed an urgent need for more space and a 10,000 sq. ft extension to Skelton House was designed and built (by Pochin's PLC) for them. This was opened in November 2002.

## Manchester Academy

Adjacent to MSP was a secondary school, then known as Ducie High School, which, bluntly, was a failing inner-city school and there was every possibility that it would be closed. MCC approached MSP and asked if they could help support the transformation of the school into one of the Government's new City Academies.

MSP had always regarded itself as part of the community. Furthermore, the enhancement of educational opportunities for young people in the district should eventually lead to an increasing number of them being employed by the Park. Finally, some of the pupils may have ideas for businesses themselves, and their entrepreneurship could be much better nurtured if the Park were supporting the school.



**'MSP had always regarded itself as part of the community'**



FOUR MSP STAFF WHO ACT AS "HOUSE PATRONS" FOR MANCHESTER ACADEMY, TOGETHER WITH STUDENT REPRESENTATIVES, ARE SHOWN A MODEL OF THE NEW SCHOOL BUILDING



So it was decided to support the project and offer £250,000 over three years from MSP. The United Learning Trust then came in, also with financial support and their great experience in education and school management. This led to Government support of around £15M for a new school building, which will be completed in January 2005, and nearly £5M for the Sixth Form. The Manchester Academy started its life in the existing buildings in September 2003.

This unique venture for a science park has already led to links between the School and the tenants, and MSP is convinced that valuable networks and linkages will develop as the School itself matures.

Some pupils have already benefited. All funds raised by MSP staff in 2004 were donated to the Ocean Youth Trust. Twelve pupils from the Academy went on an adventure in August 2004 aboard the Trust's seventy foot, two-masted sailing vessel. Rita Parhar, Assistant Accountant, joined them as a supervisor (seen second from right, top right photo) and it is understood that she now takes a totally different approach to preparing the management accounts!

All staff contribute to such fundraising efforts. In 2004, five from the security staff undertook a 26 mile marathon up and down Swaledale on one of the wettest days of this very wet summer, and raised £946 in sponsorship towards the cost of the Ocean Youth Trust voyage (See bottom right photo).





## A day away

Jane organised a successful strategic review in the form of an 'away day' for the Board in September 2002. A consensus was readily achieved together with enhanced appreciation of the opportunities which MSP might offer its shareholders in the future.

The box shows the decisions from the review. The core mission statement stands exactly as it was expressed by Robin Skelton and the founder-directors.

## An international profile

MSP has always been ready to welcome its many international visitors and the number of overseas visits has steadily increased. In 2002, Jane was elected to the International Board of IASP. She is also a partner in MIDAS's International Links programme and leads on the relationship with Tucson, Arizona and Atlanta, Georgia.

John Allen's role as an independent consultant to the world's science park community has promoted MSP throughout the world. MSP hosted the final days of a training course for Chinese Science Park Managers that was organised on behalf of the British Council. His work also led to the establishment of a Norwegian Technology Centre at MSP, one of three in UK science parks.

Such an international profile for MSP is useful for the Science Park and for its tenants, since MSP will have access to a network of science parks that will provide support to any tenant companies wishing to explore overseas markets.



## Mission statement

TO ENHANCE THE ECONOMIC AND TECHNOLOGICAL BASE OF THE CITY OF MANCHESTER.

### OBJECTIVES

- **FOCUS ON MSP'S CORE BUSINESS** TO ENSURE ITS PROFITABILITY AND GROWTH, USING WORLD CLASS SCIENCE PARKS AS THE BENCHMARK;
- **CONTINUALLY IMPROVE SERVICES** TO MAXIMISE THE PROSPECTS OF COMMERCIAL SUCCESS FOR MSP AND ITS TENANTS;
- **STRENGTHEN, PROTECT AND COMMUNICATE THE BRAND**, SO THAT MSP IS PERCEIVED AS ONE OF THE MOST DESIRABLE LOCATIONS IN EUROPE FOR HIGH TECHNOLOGY COMPANIES.



## Building the team

Jane has, over the past four years, built up a team which is able to deliver the objectives and targets which the Board accepted at its strategic review in 2002. Janice Armstrong is her PA, and there are now three departments: commercial, estates and business development, headed respectively by Paul Leighton, David McTear and Jan Hilton. Each in turn have staff supporting them, making a total staff complement of 26 - a number which astounds some of the earlier CEOs, but which the expansion of the Park makes desirable.



# Looking ahead

An exciting present...

# 2004



Things are happening in Manchester right now, and it seems to be a strategically very important time for the Science Park, as it enters its third decade.

In September 2004, an NWDA-funded incubator development opened on the UMIST campus. MSP provides specific services to its tenants, which for the first time extends the MSP brand into premises owned by somebody else.

MSP is already a partner in One Central Park (OCP), the joint venture on the North Manchester Business Park which is at the vanguard of the economic regeneration of this part of the City. MSP is an equal partner in OCP with MANCAT, MMU, the University of Salford and the new University of Manchester - the Science Park will control 10,000 sq ft of accommodation in the new building. OCP has the potential to become a new model for urban regeneration.

The Manchester: Knowledge Capital initiative, which seeks to promote and portray Manchester as an effective world centre of the knowledge economy, also fits well with MSP's aims and objectives. Discussions are ongoing with MCC on how best to mutually promote and develop the close proximity and organisational links between the Science Park and the universities.

Then there is the new University of Manchester, which came into existence just before MSP's 20th Anniversary. It is an overt attempt to design, build and operate a 21st century university, and its resources and capability will put it into the UK 'premier league' - the only one outside the South East.

Naturally, this will impact on MSP, and it has been important to establish strong linkages at the right level between the two organisations. It is thus appropriate that high-level representatives, both academic and administrative, from the new University are on the MSP Board.

## ... A promising future

In its twenty years, MSP has developed from an experiment to support a city in economic crisis, to a lively but struggling small company, to an expanding and viable business and now to a significant player in Manchester's future.

Its future success will depend on many things: the world and national economic climate, the success of the new University of Manchester and the effectiveness of the agencies responsible for regional development.

However, there are two things which are absolutely critical. The first is the quality and commitment of the people directing and managing MSP. The second is the quality and commitment to success of its tenants.

Although strategic planning, economic development programmes and Government initiatives are important, it is the tenants who make a science park. The final tribute in this book to MSP's twenty years should thus go to the tenants, both past and present. We wish them many more successes in the future.





## Abbreviations

<i>CMDC</i>	Central Manchester Development Corporation
<i>ERDF</i>	European Regional Development Fund
<i>IASP</i>	International Association of Science Parks
<i>MANCAT</i>	Manchester College of Art and Technology
<i>MCC</i>	Manchester City Council
<i>MIDAS</i>	Manchester Investment & Development Agency Service
<i>MMU</i>	Manchester Metropolitan University
<i>MSP</i>	Manchester Science Park
<i>MTL</i>	Manchester Technopark Ltd.
<i>SME</i>	Small or medium-sized enterprise
<i>UKSPA</i>	United Kingdom Science Park Association
<i>UMIST</i>	University of Manchester Institute of Science & Technology
<i>VUM</i>	Manchester University (Victoria University of Manchester)

This book is based on an abridged version of Professor Allen's original text. The full text can be viewed and downloaded at [www.manchestersciencepark.co.uk](http://www.manchestersciencepark.co.uk)

Images on pages 3-6 courtesy of Manchester Library and Information Service: Manchester Archives & Local Studies



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