

Study marks city's economic strengths

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NASHUA - The city's future economic development will be built in part on the backs of software and electronic engineers. The Nashua area ranks third in the nation for its concentration of software engineers with 1.4 percent of the total regional employment, behind only Boulder, Colo., and San Jose, Calif., with 2 percent and 1.8 percent respectively, according to a state employment analysis.

"It's an asset we should build off of," said Stephen Michon, a senior analyst for Mt. Auburn Associates, based in Somerville, Mass.

The city hired the firm to prepare an assessment of current economic conditions and trends. The draft report is done and the aldermen are slated to examine it tonight.

While local manufacturing jobs have been buffeted recently, Michon, who lives in the city and is a state representative, said the expertise locally is in more complex jobs that are expected to stay in the country.

It is the production side of manufacturing that is being shipped to lower-paying countries, like Mexico and China, where people can be trained for the positions with rote skills, he said. The jobs that focus on research and design will stay in this country, along with corporate headquarters, he said. A new headquarters on Southwood Drive is to be the North American headquarters of Viega, a German heating and plumbing company that is relocating here from Bedford, Mass., and will also have a training facility on the site.

Also, a 20-year-old specialty health-care company, Curative Health Services, plans to open its corporate headquarters in the city.

Mt. Auburn Associates took a microscope to the economy of the city and region in 1991, as the cycle of manufacturing and development boom turned to bust.

The analysts forecasted key industries at the time as defense-related manufacturing, high-tech hardware and services, and computer software.

The sector still makes up the bulk of the city's employment, with two of the city's five largest employers - BAE Systems and Teradyne Connection Systems - involved in manufacturing.

However, those jobs are becoming scarcer. In 1993, some 12,227 people in the city worked for goods-producing companies. Ten years later, the number was down nearly 7

percent to 11,398, according to the state Economic & Labor Market Information Bureau.

Economic Development Director Jay Minkarah said the city is in the midst of a change, as manufacturing continues to wane, and the study will get the community ready to solicit emerging technology firms.

The future is in technology, focusing on new-wave industries from biometrics and electro-optics to telecommunications, according to the draft report.

Nashua is in a good position to market itself, Michon said, because the firms doing this work seek out places where a concentration of people with needed skills are located, instead of relying on workers to relocate.

The community also needs to foster entrepreneurship with the talent already here, Michon said. There should be more emphasis on peer networks and angel investors to foster innovation and give highly trained people the opportunity to market ideas.

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