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Analog Devices to triple size of innovation lab in move to downtown Boston

CATHERINE CARLOCK
Real Estate Editor
Boston Business Journal

Analog Devices Inc. is more than tripling the size of its startup incubator and emerging technologies lab in a move from Cambridge to downtown Boston – an expansion that will allow the Norwood-based multinational semiconductor company to hire an additional 80 to 140 workers for its emerging-technology group.

Analog Devices (Nasdaq: ADI) has operated the “Analog Garage” in Kendall Square’s Cambridge Innovation Center since the company bought Lyric Semiconductor in 2011. The space houses a 55-person team that conceptualizes and tests new ideas for the 52-year-old analog-technology company. But the company wanted room to grow outside of the lab’s existing 7,000-square-foot space.

“We felt it was really important to be in the startup ecosystem, which at the time was Kendall Square,” said Pat O’Doherty, vice president of emerging business for Analog Devices. “We’re surrounded on all fronts by the pharma industry here (in Cambridge). It has become very crowded in terms of finding quality real estate space.”

So Analog Devices set out with broker Transwestern RBJ to search for office space, looking around in Cambridge and in Boston’s Seaport District before landing at 125 Summer St. The office provided the best mix of easy access to both the MBTA Red Line – a must for a company with roots at MIT, and an employee base that lives in Somerville and Cambridge – as well as what O’Doherty called the burgeoning startup culture of both downtown and the Seaport.

Downtown Boston as an innovation hub is something Chad Remis, head of the Boston office of Toronto-based Oxford Properties Group, has been touting at 125 Summer St. – Oxford bought 125 Summer three years ago for \$242.5 million, and last



Norwood-based Analog Devices Inc. has operated its “analog garage” innovation and entrepreneurship lab out of the Cambridge Innovation Center in Kendall Square since it acquired Lyric Semiconductor Inc. in 2011.

year embarked on a \$10 million renovation and repositioning of the 22-story office. The project included lobby improvements and repositioning the property’s entrance toward the Rose F. Kennedy Greenway and South Station.

The aim, Remis said, was to cater to a broader array of users than the typical Financial District office tenant. Indeed, 125 Summer’s tenants include fantasy sports website DraftKings, tech education center General Assembly and career management support service Keystone Partners.

“We want suits, jeans and T-shirts to feel comfortable walking in and out of the building, using the lobby as the third space,” Remis said. “The 25 percent lease-up that we’ve had since completion is kind of a testament to that.”

Boston is increasingly seeing office leases from what’s called TAMI tenants – “tech, advertising, marketing and innovation” companies – that previously looked outside the downtown urban core to establish a home base.

“This is not an aberration,” Remis said. “Boston is now an innovation hub.”

For Analog Devices, expanding its Analog Garage harkens back to the company’s founding. Ray Stata, Analog Devices’ now-chairman, co-founded Analog Devices in his garage in 1965.

“We’re utilizing the same creativity and the strategy that started ADI long ago,” O’Doherty said. “It’s very much a startup atmosphere here, and it’s kept deliberately in the startup ecosystem.”

The lab’s existing employee base has a wide array of “nontraditional” skill sets, O’Doherty said, including those with expertise in machine learning and cloud software.

“For a semiconductor company, that’s kind of different,” he said. “It’s incredibly important, and really is the reason why we were there. The purpose of the engineering technology group is to be able to recruit those type of folks who can build hardware and software products.”

Analog Devices aims to hire an additional 80 to 140 workers to its emerging technology group after it moves to 125 Summer. The company is targeting a late August/early September move-in.