



Formerly Pfizer

Laid off in the consolidation following drug company's acquisition of Pharmacia, workers start new careers, businesses

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For 21 years, Pfizer Inc. was more than an employer for Dick Leopold. Besides being a stable company and a profitable one, Pfizer was a place for Leopold to pursue his life's work: Finding new ways to heal cancer.

"I figured I was going to retire from Pfizer," said Leopold, the drugmaker's former senior director of cancer pharmaceutical research.

So did records administrator Melinda Beattie. So did information technology manager **Helene Gidley**. So did dozens of others.

But following one of the largest drug company mergers in history, executives had other plans for those workers. The story of layoffs following Pfizer's \$57 billion buy of Pharmacia Corp. has been well documented. In Michigan, it meant roughly 300 employees, primarily in the information technology, administrative and certain research areas. Cuts were deeper in Kalamazoo - a major outpost for Pharmacia - where about 1,000 jobs have been cut so far.

A lesser-told story is what has happened to those workers. Although numbers are tough to pinpoint, many former Pfizer employees have ignited an entrepreneurial spark - either by necessity or from a sought-after change of pace. From marketing to molecular research to real estate, several former Pfizer workers are finding new niches, and several new companies are germinating. For some, life after Pfizer hasn't been all bad.

Something old, something new

With 18.7 years at the company - Pfizer's official tally of her work there - **Gidley** never had much of a drive to start her own company. But when the Ann Arbor mother of two lost her job as an IT manager, that all changed.

Her new business, HSG Consulting LLC, was set up to help companies and other consultants find software vendors or design software to fit a specific need. And though she's the only employee, Gidley seems anxious to move ahead.

"I don't really harbor any ongoing negative feelings toward the company," Gidley said. "It's been a rough adjustment But I think overall it has allowed me to refocus on where my career was heading."

The business mirrors her work as a project manager at Pfizer.

"It has not been all that bad," Gidley said. "I have to say the takeaway has been a more positive sense of where I want to go and what I want to do for the next five to seven years."

Though from a different area of Pfizer, Melinda Beattie had a similar experience. Beattie worked five years at the former Parke-Davis and another three at Pfizer after it purchased Warner-Lambert, the parent company to Parke-Davis. Her job evolved, becoming a records manager charting clinical and pre-clinical drug studies. When her job was cut and her department centralized in New London, Conn. - Pfizer's research hub - she said there wasn't much time to waste.

"This seemed like it was handed to me and it opened the door for me," said Beattie, 42. "If I didn't take the chance to try it at this point in my life, I might not have the opportunity to do it. I look at this very much as fate."

Beattie has started a "virtual" administrative assistance business, hoping to accommodate small to medium-sized firms looking for office help, but not wanting to pay full-time salary and benefits. She hopes to hire at least one worker sometime in the next year for her business, Express Solutions.

For Beattie's former co-worker, Ann Hale, going into business for herself meant renewing her former company, Expert DesignWare. The business, which focused on customized electronic publishing for banking, finance and health care industries, once had as many as 15 employees and clients like business consultants Deloitte and Touche, and health care provider Kaiser Permanente.

Two years ago, Hale left her technology company when she was recruited to join Pfizer. After her job was eliminated this spring, Hale decided to restart her former Ann Arbor firm. She's thinking of locating it in Dexter, however, and plans to use some new skills she acquired at Pfizer.

"I think there were a lot of people for whom this was an opportunity," Hale said. "For some, they just needed a kick-start to make decisions."

Hale places herself in that category. Like many workers who spoke with The News, she also credits Right Management Consultants, the job retraining service Pfizer hired to help workers.

"(Right is) supporting us indiscriminately, which I think is quite fantastic," Hale

said.

Pfizer spokesman Rick Chambers said 90 percent of laid-off workers have participated in Right Management programs, either through one-on-one consultation or classes on interviewing, job searching or starting a new business. He said participation in those courses in Kalamazoo has been low, but interest is high, as most layoffs there take effect in the fall. Affected employees have 90 days after their termination date to take part in the instruction.

Some laid-off workers have taken time to figure out a new career altogether. One is Denis Warsinske, an 18-year former IT employee who began working at Parke-Davis during the mainframe computer era, staying through to the age of high-speed telecommunications. After accepting a severance package following Pfizer's purchase of Parke-Davis/Warner-Lambert in 2000, Warsinske took a job as an independent Realtor with Edward Surovell Realtors. He enjoys the change of pace.

"I wanted to get into an area more where I worked with people and less with machinery," Warsinske said. "When I completed my MBA I did not want to go back to the corporate environment."

Tapping the talent

Some staffers have stayed closer to their original fields, however.

Pfizer's decision to transfer its cancer research division from Ann Arbor to Groton, Conn. and La Jolla, Calif. seemed to be Leopold's cue to enter semi-retirement. But Leopold and Pfizer colleague Bill Elliott, whose job also was impacted by layoffs, decided to start again, but at a startup.

Both were independently recruited by Molecular Therapeutics Inc., an Ann Arbor firm that has developed high-resolution equipment to investigate cancer and cardiovascular disease. That firm set up Molecular Imaging Research Inc., a business located in the same building on North Main Street that will study the effects certain drugs have on cancer tumors in lab rats. Contract researchers like MIR often take on expensive and usually more experimental testing for larger biotechnology and pharmaceutical companies.

Since taking the helm as president and vice president at MIR, Leopold and Elliott say the business allows them new opportunities outside of the so-called Big Pharma world.

"We're able to invest in ourselves, to follow our vision," said Leopold, whose wife works with Pfizer's local unit researching inflammatory diseases. "That's why this job has been so exciting."

The new business will cater to businesses large and small, and may even include some work for Pfizer. For Elliott, the experience has meant moving away from the strictly managerial role he held at Pfizer to one of a hands-on entrepreneur.

"I'm having the opportunity to get back into the lab. That's a real plus," Elliott said. "Back in Pfizer, I was hardly ever in the lab."

MIR is one of the fastest out-of-the-gate startups made up of former Pfizer employees. It got that way in part because of a \$200,000 loan that managers gained from the Michigan Life Sciences Corridor, the state program aimed at growing research and businesses with funds pulled from the state's tobacco settlement.

The state approved \$2 million in funding for life sciences firms hiring former Pfizer employees. The majority of the 11 state-funded projects, each totaling about \$200,000, are in the Kalamazoo area. Last week, Gov. Jennifer Granholm earmarked another \$200,000 from the Corridor for the Southwest Michigan Innovation Center - a research and incubator for new businesses in Kalamazoo. None of the new dollars went toward Ann Arbor interests.

The vast majority of recent biotechnology startups created by former Pfizer employees are taking shape in Kalamazoo. Lisa Kurek, a partner with Ann Arbor-based Biotechnology Business Consultants, has spoken at Right Management classes. She's seen fairly few life sciences entrepreneurs, though there's some activity in other areas.

"In Ann Arbor, I've seen quite a few IT folks coming to the general (business plan) seminars. I think there are quite a few people who are going to become consultants," she said. "I see some (entrepreneurial) activity, not a huge amount. There's quite a bit in Kalamazoo."

Some companies eager to recruit former Pfizer employees haven't had an easy time. One is the research nonprofit Altarum, whose health care division employs researchers with information technology and pharmaceutical backgrounds.

Despite some communication with Pfizer, Altarum managers haven't always been able to speak directly to former workers. A Pfizer job fair in Kalamazoo helped establish some contacts, but so far Altarum has not hired anyone locally.

"We're anxious to have a sense of who's out there and who might be willing to work at our health solutions," Moore said. "At this point we haven't had anyone come through the door yet. And it's been a little awkward and frustrating."

Altarum is actively looking to fill about 50 jobs and may take on another 50 a year from now - a 30 percent increase to its current 320-member Ann Arbor staff.

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