

FREE E-BOOK
The Small Business Guide to Customer Service



GET IT NOW

Texas drug-packaging firm opens Bergen County factory

NOVEMBER 2, 2015 LAST UPDATED: TUESDAY, NOVEMBER 3, 2015, 9:18 AM

BY HUGH R. MORLEY

STAFF WRITER | THE RECORD



PHOTO COURTESY OF PLATINUM PRESS

Machines at the new drug packaging factory in Oakland opened by Platinum press of Texas.

A Texas manufacturer of drug packaging has opened a new, state-of-the-art factory in Bergen County, shrugging off conventional wisdom that manufacturers are fleeing New Jersey, and that the state's drug industry is shrinking.

Platinum Press began production at a 47,000-square-foot factory that makes and prints packaging in Oakland last month, with 24 workers manning a single shift. Company officials say they are already hiring for a second shift, and expect to add a third, eventually taking employment at the factory to about 100.

The company, which is based in Grand Prairie, Tex., says it opted to open the factory in Bergen County to be close to customers in the tri-state area, which include major drug makers such as Pfizer and Merck as well as smaller, generic manufacturers.

Andrew Vale, vice president for Platinum Press, said the company's need to be convenient for customers outweighed the fact that New Jersey is a more expensive place to do business. Leaving all production in Texas was not an option, because delivery - which can take four to six days by road - would be too slow, said Vale, a Ramsey resident.

"Fifty percent of our business is in the tri-state area," Vale said. "It really doesn't make a lot of sense to manufacture product in Texas, and ship it all this way."

The company also explored putting the factory in North Carolina, Pennsylvania and in South Jersey, where the cost of doing business would be cheaper. But the fact that the Oakland property - a former packaging facility for Estee Lauder - was a good fit for the company's needs, and the company got a "good rate" from the landlord, persuaded Platinum Press to opt for Bergen County, Vale said.

The company didn't try to get a state tax break, Vale said.

"We needed to get this facility up and running relatively quickly and we really didn't want to spend too much time going through

government agencies and such, which I think would have delayed us," he said.

The company signed a 10-year lease and has invested "multiple millions of dollars" in upgrading it, Vale said.

The company's move comes as the state's pharmaceutical industry has been diminished by the departure of Roche from Nutley and Clifton to California, and the mergers and consolidation of other large drug companies, amid pressures from the slowing pipeline of major drugs.

Vale said that a sizable chunk of the company's business comes from smaller generic firms, which are not declining in New Jersey.

"We see a definite growth in this area," Vale said. "I think there is a shift. The branded products have already been redistributed, whether it's abroad, in Germany, or somewhere else in the United States. But I think that a lot of the generic companies, certainly a lot of the Indian companies that are trying to get a foothold in the United States, are actually coming to New Jersey."

Email: morley@northjersey.com

© 2015 North Jersey Media Group