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Merck and IFEZ ink MoU for expanding investment

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The agreement was made between Merck Korea Managing Director Glenn Young and IFEZ Commissioner Kim Jin-yong, under which Merck will invest 22.1 billion won ($20.5 million) in the cluster.



Merck and the Incheon Free Economic Zone (IFEZ) has signed a memorandum of understanding (MOU) to establish the German firm's life science center at the Songdo Bio Cluster.

Reclaimed from the West Sea, Songdo is part of the IFEZ, and the coastal city is also home to other global biopharmaceutical companies including Samsung BioLogics and Celltrion.

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Merck's cooperation with the IFEZ to nurture the bio cluster dates back to October 2016, when it opened its ninth M-Lab Collaboration Center as a channel to boost business ties with biopharmaceutical companies in Korea.

One month later, the two sides signed an MOU, under which Merck would expand investment to help the IFEZ build the bio cluster, while the IFEZ will provide support for Merck's investment in Songdo.

Last month, they also inked a sales contract for real estate of the Merck Life Science Center, which is expected to help Songdo emerge as a global bio cluster.

Groundbreaking for the life science center is set for May, with a plan to complete construction in mid-2019. After the center is established, Merck intends to integrate its life science business, divided into two regions, at the Songdo center.

"Merck's network of experts, support and capability has contributed to the IFEZ building the bio cluster in Songdo and, furthermore, boosting the nation's life science industry," the IFEZ Commissioner Kim said.

The Merck Korea managing director also said Korea has been swiftly gaining traction in the pharmaceutical industry as the hub of the life science industry, according to the company.

He added Merck's expanded investment will help domestic pharmaceutical companies develop and produce new medicines.