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EXPERTS SAY BIOSCIENCE INDUSTRY LEGISLATION VITAL TO SECTOR'S CONTINUED GROWTH

AUSTIN—While the national economy struggles, the Texas life science industry is thriving and is poised to be a generator of new jobs for years to come – especially with continued nurturing by the state. That was the consensus of state and national leaders in biotechnology, business development, higher education and pharmaceutical research who gathered today at the second annual Texas Biz Bio Conference in Austin.

Sponsored by the Texas Healthcare and Bioscience Institute (THBI) and other leaders in life science and business, the event – *The Texas Life Science Industry: Competing in a Global Economy* – featured a distinguished list of speakers from Texas and across the country, led by Governor Rick Perry.

“Biotechnology is taking shape as the next big thing in the global economy and the momentum is building right here in Texas,” said Gov. Perry. “Through our collective efforts, brilliant ideas can go from insight to design, from testing to production, all within the borders of our state; with that comes more investment, more jobs, and, ultimately, more innovations that improve human life.”

Approximately 944 traditional biotech, biomedical research, business and government consortia and medical manufacturing companies currently make up the Texas life science industry. About 32,677 Texans are employed in the sector at an average annual salary of more than \$84,000, according to a 2008 industry report by the Governor’s Office of Economic Development and Tourism.

In 2005, the Legislature established the \$200 million Emerging Technology Fund (ETF) to promote and finance innovations in technology, including the biosciences. To date, the ETF has awarded more than \$27.4 million for life science-related commercialization projects, almost \$30 million to recruit world-class biotechnology and medical scientists and research teams to Texas, and \$7.9 million to match private and federal grants brought in by academic research collaborations.

“The state of Texas has made a smart investment in building a solid infrastructure for the development and growth of the life science sector,” said THBI President Tom Kowalski. “But this maturing sector is now competing with companies not only across the country, but around the world. This makes it imperative that we support and nurture the sector’s growth – and bolster its potential to be an economic powerhouse for Texas.”

For this reason, Kowalski said THBI, representing the life science industry, is encouraging a number of measures this legislative session, including:

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- Senate Bill 783 by state Sen. Florence Shapiro, R-Plano. This bill would reauthorize the Texas Emerging Technology Fund and provide an additional \$200 million for its investments.
- Senate Bill 39 by state Sen. Judith Zaffarini, D-Laredo, and House Bill 390 by state Rep. John Zerwas, R-Richmond, which would eliminate barriers for patients to enroll in clinical trials for life-threatening diseases, a necessary step in developing new and innovative medicines and medical devices.
- Legislation that would exempt equipment used by manufacturers in research and development from the state sales tax. Currently, many life science and other technology employers do not qualify for this exemption.

“We urge legislators to do what they can to continue to ensure a strong and vibrant Texas economy,” Kowalski said. “These legislative measures would contribute to that outcome and help position the life science industry to be a major economic engine in Texas for years to come.”

Economic strategist Richard Seline, who is researching the Texas life science sector for a comprehensive study to be unveiled in March, said his initial findings underscore the strength of the industry. But, he said, “the challenge for Texas and the entire country of course is how 2009 will play out, and this conference will serve as a bellwether for the future of this sector.” Seline is CEO and principal of the Washington, D.C.-based New Economy Strategies, LLC.

The conference also featured remarks from:

- David Margrave, Chairman, Texas Healthcare and Bioscience Institute
- Dr. David Rosen, Worldwide Business Development Executive Director – Head of Out-Licensing, Pfizer, Inc.
- Richard S. Seline, CEO and Principal, New Economy Strategies, LLC
- Patrick Kelly, Vice President, State & Local Government Relations, Biotechnology Industry Organization
- Lori M. Reilly, Vice President for Policy & Research, Pharmaceutical Research and Manufacturers of America
- Bill Hammond, President & CEO, Texas Association of Business
- Katie Strong, Executive Director, Congressional and Public Affairs Division, U.S. Chamber of Commerce
- Mark Ellison, Associate Vice Chancellor for Economic Development, Texas A&M University
- Alan Kirchhoff, Director, Emerging Technology Fund Division, Office of the Governor
- Kevin LaLande, Managing Director, Sante Ventures
- Dennis McWilliams, CEO & Founder, Apollo Endosurgery, Inc.
- Scott Sanders, Board Member, Cancer Prevention and Research Institute of Texas

The event was held at the Omni Austin Hotel and was sponsored by the Texas

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Healthcare and Bioscience Institute, Pharmaceutical Research and Manufacturers of America, U.S. Chamber of Commerce, Biotechnology Industry Organization, National Venture Capital Association, and Texas Association of Business.

Other sponsors included the Texas Life-Sciences Collaboration Center, Texas Life Science Foundation, Dallas Regional Chamber of Commerce Technology Business Council, Greater Austin Chamber of Commerce, El Paso Regional Economic Development Corp., Harrington Regional Medical Center, Temple Health and BioScience District, as well as BioAustin, BioHouston, BioDFW and BioValley Research.

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