



Press Release

New Study on Innovation Shows Challenges Facing Colorado's Medical Research Workers, Stresses Need for Federal Innovation Policy

Denver, CO (June 16, 2010) – A recent study prepared by Battelle highlights the regulatory and policy obstacles faced by the health care industry across America. Here in Colorado, the medical research sector is not immune to these challenges. The study, *“Gone Tomorrow? A Call to Promote Medical Innovation, Create Jobs, and Find Cures in America,”* commissioned by the Council for American Medical Innovation (CAMI), finds that America's global leadership in health care innovation is “ours to lose.”

For more than a year, CAMI has met with an array of experts across the United States, including Colorado entrepreneurs, innovators, economic development experts and educators, to understand the challenges faced by those working to advance medical innovation. Based on those conversations, CAMI commissioned Battelle to identify and highlight the best public policy ideas, which CAMI will bring to Congress and the Obama Administration as part of a call for a focused national policy framework for medical innovation.

Such a policy focus could help Colorado build on what is already a critical part of the state economy. “We are not going to give up until everyone in Colorado who wants to work can find a meaningful job. And those in the biopharmaceutical sector are truly meaningful jobs,” said Don Marostica with Colorado's Office of Economic Development. According to the most recent figures, nearly 14,000 workers in Colorado are directly employed in the biopharmaceutical sector, paying nearly \$50 million in state income taxes. However, this is just a small portion of the effect that the medical research sector has on our state.

In trying economic times, when we should be grateful for every job, this effect cannot be underscored. However, it should not be forgotten that the strength of the private sector is largely a result of the concerted efforts of Colorado's public leaders. “Colorado is a vibrant and growing hub for cutting-edge medical research and we are helping our universities and private sector create good-paying jobs and a brighter future for generations to come,” said Gov. Bill Ritter.

The report from Battelle comes when the country is looking toward economic recovery, and the biopharmaceutical research sector – which has, in the past, demonstrated a capacity to grow at a rate that far exceeds the rest of the economy – has the potential to lead America back to stability.

However, in order for that to happen, our policymakers on the national stage must acknowledge the challenges that lie ahead, just as our state lawmakers did when they made efforts to overcome those challenges by creating programs to support growth and investing in cutting edge clusters like the Fitzsimons Life Science District..

These challenges are widespread, according to the report. Regulatory unpredictability, lack of incentives for investment, roadblocks between bench and bedside, and limitations in the available U.S. talent pool have all stymied the natural growth of this innovative, and historically American, sector.

America's biopharmaceutical research companies have enjoyed being leaders in medical innovation for decades, and their commitment to this role remains strong, as evidenced by a continued investment in research and development that is, as the Congressional Budget Office reported, "five times more...relative to their sales than the average U.S. manufacturing firm." However, as foreign countries develop programs and policies intended to woo these innovative companies abroad, America's leaders should respond in kind, using successful state experiences, like that of Colorado, as example.

Colorado's policymakers should be commended for the foresight they displayed in 2003, when they banded together with the private biosciences sector to launch Colorado's Place in the Sun, which proposed programs and strategies to entice and encourage growth in the state's biosciences sector.

A follow-up Colorado plan completed in 2008 by the Colorado BioScience Association, identified three areas within the biosciences – one being biopharmaceuticals – for additional development.

The effect is real. Biopharmaceutical research companies spend more than \$300 million in in-state R&D annually. The University of Colorado launches roughly 10 bioscience companies per year, and Colorado State University created 13 bioscience companies around CSU-developed technologies between 2002 and 2007.

This innovative work leads to significant health benefits, tremendous medical progress, and both direct and indirect economic gains.

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