



Peter Franchot

NEWS *release*

Franchot Hosts Life Science Summit; Releases Report Showing Maryland is the Nation's Bioscience Leader

Life Science sector generates over \$29 billion in economic output, 120,000 total jobs, \$11 billion in income and nearly \$600 million in taxes annually

Columbia, MD (December 13, 2007)- Declaring that Maryland's future economic success must be tied to the life sciences industry, Comptroller Peter Franchot today joined with leading members of Maryland's research, business, academic, investor and scientific communities at the Maryland Life Science Summit. The Summit, held in Columbia, Maryland and sponsored by the Comptroller's Office, also featured the release of the Maryland Life Science Economic Impact Study which showed beyond a reasonable doubt that Maryland is a national leader in the life sciences and the highlighted the tremendous economic benefits the industry brings to the state. The study also recommended several strategies the state could use to foster further growth in this vital sector.

"It is clear that Maryland is already one of the world's leading centers for the life sciences, and I am determined keep us at the forefront of this dynamic and life-changing industry." said Comptroller Franchot. "However, if Maryland is to maintain its economic prosperity and competitive edge, we must redouble our efforts to support the life sciences industry. That's what this entire summit was about, and I am delighted that we had such a broad, cross section of Marylanders in attendance."

Summit attendees represented almost all Maryland economic sectors, including: health care, legal, financial, investment banking, construction, manufacturing, tourism, education, telecommunications, real estate, engineering, government contracting, information technology, biotechnology, nanotechnology and aerospace. In addition, the state's federal and military institutions were represented along with local and state elected officials. While in the past meetings of this sort have been limited by geography and industry sector, the goal here was to bring together a diverse group from all over the state and convene a summit that would have input from all interested stakeholders.

"This Life Science Summit can serve as a powerful catalyst as we search for comprehensive strategies to take Maryland's life sciences industry to new heights in the international arena, said State Delegate Brain Feldman. "I commend Comptroller Franchot for taking the lead in organizing this critically important event."

(more)

The Summit featured presentations that provided analysis and forecasts for the state's life science investment climate and the state's life science real estate market. There were several presentations highlighting the economic development opportunities surrounding the extensive network of federal institutions in the state. The state's research efforts and educational strategy were presented by speakers such as Johns Hopkins University President William Brody, University System of Maryland Chancellor William "Brit" Kirwan and National Cancer Institute Director John E. Niederhuber. In addition, Mr. James Pitts, Corporate Vice President and President of Northrop Grumman Electronic Systems spoke of the need for the private sector to actively get involved in the state's secondary education system to help foster the well educated workforce needed for all technology sectors.

"Engineers and scientists, including those required in the life sciences industry, are so vitally critical to ensuring the future quality of life for all of us, including the security of our nation," said Jim Pitts, corporate vice president and president Northrop Grumman Electronic Systems.

"We stand on the threshold of exciting new discoveries that promise to revolutionize how we treat illness and prevent disease," said JHU President William Brody. "Maryland is where some of the most exciting roads to discovery in medicine are going to originate, and working here are the women and men who will be charting the way."

Other speakers included former National Science Foundation Director Dr. Rita Colwell, Dr. John Dyer, Deputy Commissioner and COO, U.S. Food and Drug Administration; Mr. Darryl Rekemeyer, Director, Fort Detrick Business Development Office; Matt Zuga, Managing Director, Red Abbey Venture Partners; Robert Scheer, President, Scheer Partners; **Mr. Drew Greenblatt, President, Marlin Steel Wire Products, www.marlinwire.com**; and Jonathan Genn, Executive Vice President of Percontee Inc.

"Thanks to Maryland's colleges, universities and research centers, our state is well positioned for dominance in the life sciences," said Chancellor Kirwan. "The University System of Maryland alone attracted nearly \$1 billion in external research funding last year, some of which contributed to Maryland's position as the top state in attracting R&D funding in the life sciences. Our challenge now is to further enhance the partnership between government leaders, university officials and business leaders to make the decisions and investments needed for the state to realize its full potential as a life sciences leader."

The Summit also featured the release of the Maryland Life Sciences Economic Impact Report. The study was conducted by Sage Policy Research Group whose analysis measured the economic and fiscal contributions of both private bioscience enterprises and institutional employees directly engaged in research and development activities.

Based on this analysis, the study team concludes that Maryland's bioscience sector is among the nation's largest, if not the largest, generating \$29 billion in economic output, supporting 120,000 total jobs, \$11 billion in income and nearly \$600 million in State government taxes annually. Jobs supported directly by the state's life sciences industry pay \$108,000/annum on average. Almost one-fifth of bioscience workers hold doctorates and over half have graduates degrees. In other words, the sector supports nearly 5 percent of Maryland's total employment, more than 8 percent of its wage/salary income, and over 11 percent of gross state product.

(more)

Over the next decade, Maryland's biotech sector is poised to become even more globally pre-eminent. The development of two biotechnology parks in Baltimore City in conjunction with the massive and expanding life sciences cluster in Maryland's D.C. Suburbs may be enough to push Maryland past Massachusetts and California assuming that Maryland isn't already number one.

The Comptroller and the report offered several strategies to ensure this growth including: allocating a higher percentage of State pension fund dollars toward investment in technology industries; increasing funding for its seed funding programs such as TEDCO, DBED's Maryland Venture Fund and UMCP's MIPS program; adding tax incentive programs to encourage private sector investment in the state and proactively identifying Marylanders who could benefit from those programs.

Copies of the report are available online at the Comptroller's website, www.marylandtaxes.com.

Contact: Joseph Shapiro, 410-260-7305, office
443-871-2244, cell