

Ohio biotech still strong, magazine says

State again ranks No. 4, aided by continued investments from Third Frontier, development organization says

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Ohio kept its No. 4 ranking for the strength of its biotechnology industry in Business Facilities magazine's annual list, partly because of continued investments by Ohio Third Frontier, according to BioOhio, the state's bioscience development organization.

The biotech sector has cemented its status as a building block for future growth, so it is being protected in most states from budget cuts, according to Business Facilities.

The sector products — from genetically tailored drugs that "deliver" themselves, to sophisticated defenses against bioterror — rapidly are moving from laboratories to the commercial sector, the magazine said.

"That is certainly true in . . . Ohio," Tony Dennis, president and chief executive of BioOhio, said in a written statement.

Ohio Third Frontier is the \$1.6 billion, 10-year effort to develop the state's economy by investing in developers of technologies and the companies that make them. Last month, an independent study of Third Frontier in its first seven years concluded the project has had an economic impact of \$6.6 billion on the state, creating 41,300 jobs.

Third Frontier ends in 2012. Taxpayers are expected to be asked to renew the project with a bond issue in the May 2010 election.

Ohio rose to No. 4 last year after Business Facilities overhauled its ranking methodology to assign credit for biotech development. Criteria include the amount of state research and development funding and venture capital investments; biotech job concentrations; biotech tax exemptions; number of biotech facilities; biotech patents generated; university grant funding; and bioscience higher education degrees, among other factors.

The most recent Ohio Bioscience Growth Report, published last winter by BioOhio, cites more than 1,100 bioscience-related organizations operating in the state, Dennis said.

From 2004 to 2008, an average of 70 new bioscience companies began each year.

In connection with the Global Cardiovascular Innovation Center in Cleveland, Bio-Ohio last month published an updated industry directory of more than 2,600 locations that are part of the bioscience supply chain in the state with 1,900 different companies.

Ohio biotech companies also have been attracting venture capital. In the first half of 2009, BioEnterprise, the Northeast Ohio affiliate of BioOhio, reported that Ohio received the second-largest amount of venture capital investing — \$86.9 million — among 10 Midwestern states and one region.

In May, the Biotechnology Industry Organization and Battelle placed Ohio among the top eight states in middle and high school bioscience education quality.

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