



## Mayors focus on state's biotech industry

By Richard Craver | Journal Reporter

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A concerted educational, financial and government effort will be needed to keep the state's biotechnology sector from following the path of manufacturing out of the state.

That was the primary concern -- and opportunity -- expressed yesterday at a municipal summit on the industry at Piedmont Triad Research Park. The meeting, called by Allen Joines, the mayor of Winston-Salem, drew mayors or their representatives from at least 15 cities. Lt. Gov. Walter Dalton was the featured speaker.

The message was not lost on Scott Padgett, the mayor of Concord.

Yesterday was the last day of employment for about 1,000 Philip Morris USA workers in his town. The manufacturer closed the plant and moved the production to Richmond because of declining cigarette sales.

"That plant represented good jobs and good charitable giving for a long time in our community," Padgett said. "It's going to be a real long shot to find an employer to replace those jobs. However, we have the opportunity to replace them over time by investing in new industries such as biotechnology."

David Murdock, the owner of Dole Food Co. Inc., has pledged to spend about \$1 billion of his own money on a \$1.5 billion N.C. Research Campus at a former Pillowtex campus in neighboring Kannapolis. The public-private initiative also would feature collaboration with several N.C. universities, including UNC Chapel Hill, N.C. State and Duke.

Progress has slowed on the campus in recent months, with one major tenant pulling out in June.

"It's more important than ever to be competitive in biotechnology and life sciences," Padgett said. "It's more important to be aggressive with innovations. But it's equally important to provide these companies with what they need -- an educated work force and infrastructure -- so that our communities can retain what we help grow and nurture."

Although the biotechnology and biopharmaceutical sectors are in their growth stage in North Carolina, they already have a combined 180,000 jobs and have a combined economic impact of \$45.8 billion. That includes 60 bioscience companies in Winston-Salem, with a combined 1,100 employees.

The mayors established an action plan with six primary goals. They plan to fine-tune the plan before presenting it to the General Assembly for the short session in January.

The goals include:

- More legislative financing for innovation, including more tax credits.
- Encouraging the N.C. state pension fund to invest in venture capitalists that support the industry.
- More local and state financing for infrastructure improvements, whether roads and water or bandwidth and wireless communications.
- Streamlining the permitting process at the local and state levels.
- More financing for educational efforts and specific job training in middle and high schools and community colleges.
- Benchmarking North Carolina's biotechnology efforts with other states with a major presence.

"If we are No. 3 in biotechnology, that means that there are 47 other states breathing down our necks," said Eric Hallman, a town commissioner from Hillsborough.

"We need to increase our investment in this industry, for our present and our future, not only to stay ahead of those other states, but also to catch up with Massachusetts as well," Hallman said.

Joines said he and the other mayors "felt energized" by the summit.

He said that assisting companies attracted by lower-cost labor will be a challenge, no matter the industry, in a global economy. But by investing in the infrastructure and education they need, he said that it could play a major role in deciding to remain where they are successful if and when they strike it big.

Dalton said he encourages leaders to support biotech initiatives at the public-private level.

"It's not easy to plow into a new frontier and produce real change and innovation," he said. "But our education and our government and our leadership must change with biotechnology and life sciences as part of a transformational effort for our economy."

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