Focused Strategy, Big Results
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Kansas Bioscience Authority
What Is the Kansas Bioscience Authority?

- The Kansas Bioscience Authority (KBA) was created by the **Kansas Economic Growth Act of 2004** for the sole purpose of advancing Kansas’ leadership in bioscience.

- We are an independent entity of the state, governed by an 11-member board of directors comprised of prominent local and national leaders in business, agriculture, finance and academia.
The KBA is the state’s largest-ever commitment to expanding Kansas’ research capabilities, promoting innovation, and encouraging company formation that will create high-paying jobs for generations to come.

The Kansas legislature has charged the authority with developing and managing specific programs to:
- Expand federal R&D investment
- Commercialize bioscience discoveries
- Accelerate economic growth and job creation
Hitting the Mark

AREA OF EXPERTISE

Animal Health
Bioenergy
Biomaterials
Plant Biology
Human Health

Research
Commercialization
Expansion and Attraction

STRATEGY
A Strategy for Success

- Highly focused
- Diversified
- Game-changing potential
- Evaluative process
- Strategic partnerships
- Outcomes oriented
Support Throughout the Business Cycle

• **Focus** on three major buckets of investment:
  • Research and development
  • Commercialization
  • Expansion and attraction
Research and Development

Goals and Results

- **Increase annual federal bioscience R&D investment** from $130 million in 2004 to $650 million in 2019
  - Status: $232 million in FY07

- **Increase annual industrial bioscience R&D investment** from $450 million in 2004 to $1 billion in 2019.
  - Status: $557 million in FY06

- **Results**
  - $100 million increase in new federal research investments
  - Eminent scholars in drug delivery, animal health, and biomaterials
  - National Bio and Agro-Defense Facility
We must accelerate research efforts to protect the food supply

- The federal government has identified the need for “safe, secure, and state-of-the-art agriculture biocontainment laboratory”
- The NBAF will conduct scientific research to combat foreign-animal diseases by expanding our country’s ability to create drugs, vaccines, and other countermeasures

The NBAF will be a highly secure biosafety laboratory

- The NBAF will be built with the highest safety standards, which are keeping tens of millions of residents safe in places such as Atlanta
- Modern biocontainment technology has eliminated the need for locating animal-disease research on an island
Research and Development
Goals and Results

- The NBAF is a model for efforts to come
- A key advantage is our unified local, state, and federal support
Kansans Fighting Cancer

• Kansas offers unique expertise in cancer drug discovery and delivery
  – University of Kansas School of Pharmacy has contributed to the development of 7 out of 19 cancer drugs funded by the National Cancer Institute
  – Positioned to serve a greater number of patients seeking cutting-edge care
  – Unwavering scientific focus on cancer fighting drug research

• Kansans will benefit
  – New eminent scholars and researchers bringing additional clinical trials
  – Attraction of additional private and public funding for research
  – Greater access to cancer fighting drugs
Commercialization: Heartland BioVentures (HBV)

- **Heartland BioVentures Focus (HBV)**
  - Assistance in business formation and acceleration
  - Pre-venture financing
  - Providing time, money, business expertise, and access to capital to early state bioscience start-ups

- Increase annual private venture capital investment in Kansas from **$24 million** in 2004 to **$100 million** in 2019
  - Status: $61.6 million in FY07

- Increase bioscience companies from **1,052 to 1,500** and increase total employment by **23,000**
Kansas Bioscience Venture Capital

• **Venture Capital Investment Initiative**
  – $50 million commitment to invest in venture capital investment funds
  – Will invest in up to 8 venture capital funds operated by professional, private venture capital fund managers
  – Fund managers will each raise a minimum of $25 million in external private capital, and invest in Kansas companies

• **Key component of the KBA’s commercialization strategy**
  – Designed to address the lack of seed and early stage capital that is a barrier to bioscience entrepreneurship in Kansas
  – Will work seamlessly with the KBA’s Heartland BioVentures initiative to attract financing and bring globally competitive products to market
Expansion and Attraction

• **ThermoFisher Scientific**
  – Assisted with a multi-million dollar expansion of a microbiology products company that manufactures and distributes to laboratories around the world
  – Will create 90 – 180 new jobs over the next 10 years
  – $12 million in capital investment

• **Megastarter, LLC**
  – Invested in the attraction of this industrial company from Colorado to Manhattan to develop and commercialize a microbial supplement for the livestock and dairy industry
Kansas: Remarkable Outcomes

Remarkable Results in FY09

• In the past fiscal year, the KBA committed more than $177 million to 32 bioscience projects
• These investments bring total commitments to $227 million since the authority’s inception

Realized Economic Growth

• 1,150 new jobs
• $110 million in capital expenditures
• $38 million in research funding
• $40 million in equity investments
Projected Economic Growth

- 4,500 new jobs
- $1 billion in capital expenditures
- $49 million in new federal R&D investments
- KBA investments have returned $6.2 in economy activity for every $1 dollar invested

Business Facilities magazine

- Placed Kansas 9th in Top 10 list of states in the nation for biotechnology, along with states such as California, Massachusetts, and Illinois
- Kansas ranked number 4 in the nation for state bioscience investments
- Kansas ranked number 5 for bioscience research funding
Investing in Bioscience Growth

Investment highlights FY 2010

• **Venture Capital Investment Initiative**
  – $50 million fund that will invest in venture capital investment funds

• **Eminent Scholars and Rising Stars**
  – $6.75 million to enhance research talent at Kansas universities

• **Kansas Cancer Research Projects**
  – $5 million in projects that stimulate cancer research and treatment

• **Kansas Bioscience Centers of Innovation**
  – $15 million to maximize growth in state’s existing areas of bioscience strength
Always Looking Forward

What success looks like

• Strong foundation of research, with research tied to market needs
• Commercialization pipeline
• Sustained venture investment
• Significant capital investment
• Job and wage growth
• *National leadership tackling global challenges*