

Testimony of Karin Duncker, Executive Director,  
New York Biotechnology Association  
to the  
Assembly Standing Committee on Economic Development,  
Job Creation, Commerce & Industry  
Assembly Standing Committee on Health  
Assembly Standing Committee on Small Business  
Legislative Commission on Science and Technology  
Assembly Task Force on University-Industry Cooperation

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Columbia University  
Russ Berrie Pavilion, Classroom 2

Good afternoon. I would first like to thank the committee chairs for their interest in New York's biotechnology industry, and for the opportunity to share my testimony with you today.

My name is Karin Duncker and I am the Executive Director of the New York Biotechnology Association. NYBA is a not-for-profit trade association dedicated to the development and growth of New York's biotechnology industry, and to strengthening the competitiveness of New York state as a premier global location for biotechnology and biomedical research, education and industry.

Founded in 1990 by a handful of CEOs in the then nascent biotech industry here in New York, NYBA has grown in membership to represent over 260 biotech companies, academic and research institutions, and professional service providers with a stake in our industry.

As with any trade association, our focus is on the needs of our constituency. Helping to create conditions that allow biotech companies to grow, and scientist-entrepreneurs to create new companies is our goal. We work to achieve this through:

- Facilitating collaboration between academia and industry;
- Mentoring scientist-entrepreneurs through the rigors of starting a company;
- Providing cost saving services to our members;
- Creating programs and meetings that promote discussion and collaboration;
- Educating policy-makers on the needs and concerns of the biotechnology industry;
- And pushing for policy that strengthens New York's ability to retain, recruit and support its biotech industry.

Over the past 10 years we have achieved success in each of these functions. And in 1998 we saw the passage of our first piece of legislation – the qualified emerging technologies credit, or QETC. The QETC program provides incentives in the form of tax credits to biotech companies who show growth by increasing jobs, and to institutional and

individual investors who make and hold investments in New York based biotechnology companies. Yet this legislation only works if biotech companies see New York as a place to site and grow. And in order for that to happen, New York must address the needs of companies early on in their development, so that the companies that form here stay here, because they see New York as the best place for them to grow.

The basic needs of the biotech industry are relatively straightforward – access to technology, access to talent, access to capital, and access to facilities. New York has great strengths and the resources to address almost all of these needs. Right here in New York City, we have some of the leading researchers and the leading technologies in the world. And New York City is undoubtedly the financial capital of the world. What we are lacking are the resources in facilities. And without this integral piece, the puzzle of growing biotech in New York is unlikely to be solved. Because without facilities, companies may form here, and get funding here, but they will not stay here.

We have already seen evidence of this. Over the past few years, there have been countless articles and papers written on biotech in the New York metropolitan region, calling it ‘the industry that got away’. Yet there have been many companies that would have stayed in New York City, if only they had a place to stay in.

In your briefing materials, you ask which financial support strategies would be most effective in encouraging the growth of the biotech industry here in the New York metropolitan region. You mention grants, low-cost loans, tax incentives for developers, zoning changes. Frankly, any and all of these would help -- anything that creates incentives for the development of low-cost commercial biotech space for growing companies. And not just incubator space, or space where a company can start --but also space where a company can grow. Without this, all you are doing is helping small companies to move out of New York when they grow, and are still small enough to afford the costs of relocation. Creating space that a company can expand into will make it more likely that the company will stay in New York.

Investment in growing a biotechnology industry in the New York metropolitan area should be thought of as an investment in the very infrastructure of the region. Creating public/private partnerships with developers ready and willing to build affordable biotech space, is one of the most effective ways the state can invest in its biotechnology industry.

Thank you.

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