

Bringing Biotech to Little Burgs

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With its new economic development arm, venture consultancy Buffalo BioSciences is looking to help smaller cities grab a piece of the biotech pie.

In the San Francisco Bay Area, the West Coast's burgeoning biotechnology hub, a tiny one-bedroom apartment can easily cost \$1,700, parking not included. Boston, San Diego, and other biotech hot spots aren't much better, especially for young scientists, who frequently make less than \$70,000 a year, even with a PhD.

The problem is driving life science companies to explore smaller cities, and venture consulting firm Buffalo BioSciences is looking to help such cities seize the opportunity.

"A lot of people are moving from San Diego to Phoenix where the real estate is cheaper," said Anthony Johnson, a partner at the Buffalo, New York-based consultancy. "You can be a big fish in a small pond in a place like Buffalo, St. Louis, or Lincoln, Nebraska."

Together with Ellen Hassett, a strategic associate at Buffalo, Johnson is leading the firm's new economic development arm, Catalyst Services, which officially opened for business Thursday.

The team identifies a region's strengths; then offers a variety of services—it recruits new businesses from out of town, points out policy hurdles that stand in the way of development, manages incubators, helps locate private funders, and sorts through the logistics associated with facility development.

Buffalo, for example, has a skilled transportation industry and is located close to the Canadian border, so the town has the potential to grow a strong distribution industry, Ms. Hassett said. "Other towns have a strong semiconductor industry or a university with a particular research focus," she said, adding that a major hurdle is identifying skilled labor, and training needs.

"The idea is to go beyond tax incentives and job breaks, and help government agencies find ways to leverage intellectual property from universities and small startups," Ms. Hassett said. "We identify the right partners, and knit them together with strategy."

Groups like the International Economic Development Council, a nongovernmental organization based in Washington, D.C., offer industrial training and consulting services, but Ms. Hassett said Catalyst is the first to focus on the biotechnology sector.

The team is helping the Erie County Industrial Development Agency, responsible for developing the technology sector in Buffalo, New York, develop a bio-manufacturing facility. An incubator affiliated with the New York State Center for Excellence for Bioinformatics and Lifesciences is in the works, and Ms. Hassett recently completed a long-term growth plan for the State of Maryland's Department of Economic Development.

"We did an audit of the state's technology business, helped fine-tune services offered by biotech incubators, and helped develop partnerships with venture funds," Ms. Hassett said.

Though Buffalo BioScience has worked with government groups in the past, Catalyst is the firm's first economic development product. Founded by executives from the biotechnology giant Invitrogen, Buffalo BioSciences also plans to launch a 20 million dollar venture fund within the next six months.