

\$1.2B in investments help N.C. life sciences industry top 53,000 jobs, report finds

Posted: Nov. 20 10:59 a.m.

Updated: Nov. 20 3:49 p.m.

North Carolina's investments of \$1.2 billion over the past 10 years in life sciences have helped spark a surge in growth that outstrips job creation in competing states, according to a new study from the Battelle Memorial Institute's Technology Partnership Practice.

The state's biotech, pharmaceutical and medical-device industry sectors now employ some 53,200 people at an average wage of \$69,275, according to the report. That salary is nearly double the average N.C. wage of \$32,000.

Another 180,007 jobs are tied to the state's biotech and related sectors, researchers found.

"Smart, steady investment in biotechnology has created a major economic engine in North Carolina," said Norris Tolson, chief executive officer of the North Carolina Biotechnology Center, which funded the study."

"This technology will help us meet the major global needs of the future – health care, energy and food. But it also brings tangible benefits to North Carolinians in the form of jobs, and the potential is there for many more."

Helping drive the job growth is North Carolina's backing of new companies and research, expansion of current company operations, work force training and through the state-funded N.C. Biotechnology Center.

The report identified the following investments:

- \$857 million into research and facilities from translational research and individualized medicine to nanotechnology, cancer research and biofuels
- \$135 million toward work force training, building on the North Carolina Community Colleges' statewide biotechnology education programs through BioNetwork and other training at community colleges, and the BTEC and BRITE facilities on the North Carolina State University and North Carolina Central University campuses
- \$115 million via the North Carolina Biotechnology Center
- \$102 million in direct company incentives, including \$95 million in Job Development Investment Grants (JDIGs) and \$7 million in One North Carolina funding, primarily in pharmaceutical manufacturing. (One N.C. Fund grants require a local community match.)

"In the 21st century, which many have termed the Biocentury, biotechnology is expected to be a key engine of economic growth in the United States," said the executive summary of the study, titled "Evidence and Opportunity – Biotechnology Impacts in North Carolina."

Over a six-year period, 2001 to 2006, N.C.'s life science employment base grew by 18.5 percent, which is three times the national average and five times that of average private sector job growth, Battelle said in the report. The findings were disclosed Thursday at a press conference at the N.C. Biotechnology Center in RTP.

According to Battelle, North Carolina generated the most job growth "by far" among the 10 states with the largest life science sectors.

Most of the state's biotech industry is located in the Triangle region, and the cluster is annually ranked among the top five in the U.S.

Biotech and life science businesses generated \$28.7 billion in revenues on an annual basis. They have an indirect impact on other companies of \$17.1 billion.

The Biotech Center, through loans and grants, helped create 3,734 jobs.

The General Assembly created the Biotech Center in 1984, the first such state-funded venture.

State funding for the Biotech Center is set at \$19,427,561 for 2008. That's the highest total since \$17,884,403 in 1999 and includes non-recurring funds of \$4 million.

In 2007, the Biotech Center received \$15,583,395, none of which was non-recurring.

State support fell to \$5,270,468 in 2001 but has increased each succeeding year.

Copyright 2008 by Capitol Broadcasting Company. All rights reserved. This material may not be published, broadcast, rewritten or redistributed.