



THE PLAIN DEALER

Connecting bioscience communities

Cleveland area and Pittsburgh developers agree to work together

Wednesday, April 18, 2007

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BioEnterprise in Cleveland and the Pittsburgh Life Sciences Greenhouse are collaborating to open a pipeline for bioscience commercialization and investing that could stretch from Northeast Ohio to southwestern Pennsylvania.

The two bioscience company developers announced their collaboration Tuesday during a Generation Foundation conference on health care innovation at the InterContinental Hotel in Cleveland.

The collaboration "is very exciting," said John Austin, a non-resident senior fellow with the Brookings Institution who co-wrote a recent report that called for federal and state cooperation that could help the Midwest reassert its global economic leadership.

The Cleveland/Pittsburgh bioscience collaboration "is a great illustration of how we can harness the horsepower of our whole region to support economic growth," Austin said.

"We're helping the teammates in this [collaboration] talk and network with peers in southeast Michigan, where we have similar new-economy initiatives under way," he said.

The collaboration would create a "bioscience belt" that has at least as much federal research funding, investment, companies and employees as Research Triangle Park, N.C., and the Minneapolis-St. Paul area, both established bioscience regions.

The effort is in its early stages, said Christopher Coburn, executive director of CCF Innovations, the Cleveland Clinic's commercialization unit. "But there's every reason to believe it's going to yield significant long-term returns," he said.

Northeast Ohio has long been home to major health care institutions. But in the past five years, the region has developed a growing community of medical device, health care services and biopharmaceutical startups, said Baiju Shah, president of BioEnterprise.

"National investment firms are recognizing this as an emerging major-league region" for bioscience development, Shah said.

"We've arrived," he said. "But our real goal is to sustain it."

Shah outlined three efforts that fall under "the theme of thinking bigger and acting bolder" as a bioscience region:

Don't forget the technology transfer efforts, venture development and capital that got the region to where it is today.

Seize the big bioscience opportunities that emerge in Northeast Ohio, such as the Medical Mart, a proposed medical products showroom/trade show venue in Cleveland.

Collaborate with other Midwest regions to gain the critical bioscience mass needed to attract large venture capital investments and top industry executives.

Shah and his Pittsburgh Life Sciences Greenhouse counterpart, John Manzetti, began talking about a collaboration in late November.

"We attended the venture [capital] conference in San Francisco in January," said Manzetti, president and chief executive of the Greenhouse. "We pretty much kicked things off there."

The Cleveland and Pittsburgh areas host similar health care and academic institutions.

"We have for the last year and a half recognized that just across the state border - closer to Cleveland than Columbus is - is an enormous set of assets that are both at the same scale as what we've got here in Northeast Ohio and of the same quality as what we've got," Shah said.

"More importantly, they have made a commitment to biosciences much like this community has made a commitment to biosciences."

Bioscience companies in both regions also are in similar industries, though at different stages of development.

"Both of our regions are rich with life sciences technology," Manzetti said.

"I have way more early-stage, pre-seed and seed companies," he said, referring to the earliest investment stages of companies in the Pittsburgh greenhouse.

Shah at BioEnterprise coordinates venture capital funding for Northeast Ohio bioscience companies, which is a much later-stage investment category.

Bioscience companies in the region also share common challenges.

"To get life sciences technologies to market, you need several things," Manzetti said. "You need a lot of talent and a lot of money."

Attracting talent and money to both regions is hard because "we're not well known for life sciences," he said.

Bioscience companies in the regions could feed each other technologies and together attract national venture capital, Manzetti said. BioEnterprise and the Life Sciences Greenhouse are not expected to compete.

"We won't serve companies in Pittsburgh; they won't serve companies here," Shah said. "But by working together, we can grow our regions faster."

Initially, the collaboration will take the form of connecting bioscience researchers, executives and developers in both regions. "We may develop joint investor marketing material," Shah said.

The collaboration "might evolve into something more formal by fall," he said.

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