

Area, Cleveland science groups to cooperate

By **Ron DaParma**
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When it comes to the fields of biomedicine and bioscience, the Pittsburgh and Cleveland regions have a lot in common, says John W. Manzetti.

That's why Manzetti, CEO of The Pittsburgh Life Sciences Greenhouse, and Baiju R. Shah, his counterpart at BioEnterprise in Cleveland, plan to cooperate in a joint economic development initiative.

"Both areas have some very strong universities and lots of technology coming out that is bringing new investment to both regions," said Manzetti, of the proposed initiative at a health care conference in Cleveland Tuesday.

The two regions together have more than \$1 billion in combined National Institutes of Health and industry health care research; more than \$350 million in health care venture investment and more than 700 bioscience companies employing more than 25,000 people, officials said.

The two groups believe they can do a better job of attracting national investors, particularly those providing venture capital, by jointly touting their virtues, he said. As a result, they hope to boost the creation of start-up companies, and stimulate growth of existing young firms.

"We are not setting up any new entity. This won't cost anything more than our time and effort," Manzetti said.

"There's a lot of logic to this," said Donald Smith, director of economic development for Carnegie Mellon University and the University of Pittsburgh. Joining forces to promote companies in both regions would likely draw more attention from national venture capital firms, he said.

Manzetti's discussions with BioEnterprise occurs as Gov. Ed Rendell tries to convince state lawmakers to pass legislation creating a \$500 million fund for biomedical research -- Jonas Salk Legacy Fund.

At a news conference Friday, Rendell said the fund was important to the future of the state's three greenhouse organizations. It failed to win approval of the legislature for the current fiscal year budget, but proposals to create it were

introduced last week. It would provide about \$2.2 million for the Pittsburgh Greenhouse in the fiscal year starting July 1. The other greenhouse agencies are in Harrisburg and Philadelphia.

Money would come from Pennsylvania's share of the national tobacco settlement, the same source that provided \$100 million to create the three greenhouses five years ago.

In addition to its \$33 million share, the Pittsburgh Greenhouse has raised \$70 million from local foundations. As directed by the state, it allocated about \$61 million to Carnegie Mellon University and the University of Pittsburgh for recruiting faculty and building and upgrading facilities.

It has made 43 investments totaling about \$4.6 million in 32 different companies.

"Without the Salk fund, we'd certainly have to scramble to find additional funding sources," said Manzetti. "But we certainly won't be closing our doors. We still have a portion of our original tobacco funding allocation, and we also receive support from the state general fund, foundations, venture capital firms and a return on our investments."

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