

## Florida is Growing with Biosciences

Florida is home to a growing biosciences cluster, which includes industries such as biotechnology, medical device manufacturing, and the development and manufacturing of pharmaceuticals. These industries have experienced significant growth within Florida during the last several years, as well as considerable growth in biotech companies relocating to Florida, according to the University of Florida.<sup>1</sup>

Our state has been recognized by several firms as a rising bioscience star - recently Jones Lang LaSalle included Florida on its list of emerging bioscience clusters. In addition, research firm Battelle ranked Florida second in number of bioscience companies and in medical device firms nationwide. It is no wonder that West Palm Beach was chosen to host the World Stem Cell Summit earlier this month. According to a news release from the Summit, "South Florida was selected because of the region's commitment to biomedical research".

The bioscience industry is vital to the economies of several regions in Florida. According to the Florida BioPulse, the bioscience industry is mainly clustered in four regions: the Southeast region (Miami, Fort Lauderdale and Boca Raton), Tampa Bay, North Central region (Gainesville and Alachua), and the greater Orlando area.

### The History of Florida's Investment in Biosciences

Attracting bioscience companies and institutes has been one of the efforts undertaken by the state government to help diversify Florida's economy and provide high-wage jobs. Such effort started gaining momentum in the years of Governor Jeb Bush, when a \$310 million state appropriation, combined with \$187 million from Palm Beach County, provided support for the start up costs of The Scripps Research Institute in Florida. In 2006, the California-based Sanford-Burnham Institute announced plans to open a research facility in Florida, and the Torrey Pines Institute for Molecular Studies announced plans to expand to Port St. Lucie. Investments by the State of Florida to aid these important companies to relocate to Florida have provided a base for other companies to locate in Florida.

Since then, hundreds of bioscience-related firms have established offices in Florida. According to a Life Sciences Brief from Enterprise Florida, as of October 2011 almost 850 combined biotech, pharmaceutical and medical devices companies call Florida home, as shown in the chart on the next page.

Most of these companies are in the medical devices industry, yet the biotech industry in Florida has experienced a more than 40 percent growth in the number of companies the last 5 years, which makes Florida the second fastest-growing biotech industry in the U.S.

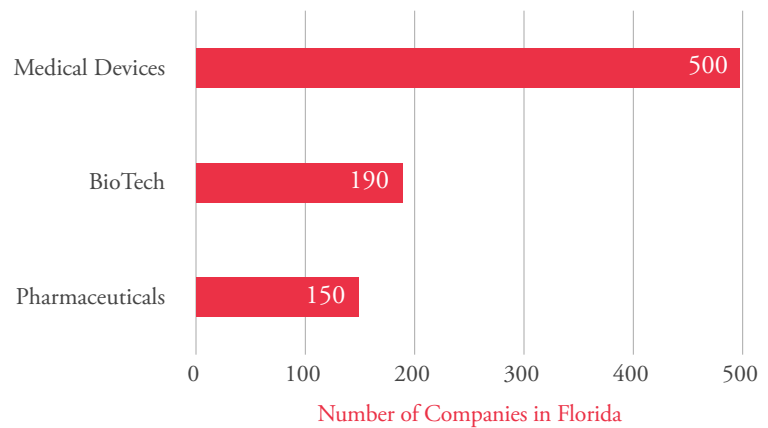


1. As shown in Florida's BioPulse: A Snapshot of the Bioscience Industry

## Growth

Some of the growth in bioscience-related firms in Florida can also be attributed to several universities' incubator programs, who aid in the development of start-up companies. These incubators include the UCF Business Incubator and USF's Tampa Bay Technology Incubator. The University of Florida's Sid Martin Biotechnology Incubator provides wet labs, small and large animal research facilities, greenhouses and other bioscience facilities and tools.

### Florida Life Sciences Companies in Select Industries



Source: Enterprise Florida

Some of the institutions recently opening their doors in Florida include German nonprofit Max Planck, which inaugurated the Max Planck Florida Institute for Neuroscience in Jupiter on December 5. German State Secretary Cornelia Quennet-Thielen recently said that Germany will provide \$10 million per year to support the Institute.

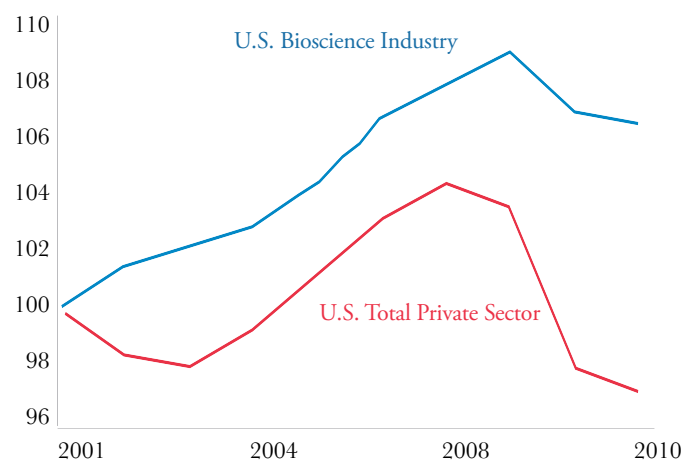
Not only have companies opened their doors, they have also boosted their hiring, which benefits both the state and local economies. For instance, Sanford-Burnham, a medical research institute, has expanded from 500 to 1200 employees, including 850 scientists, during the past decade. Scripps Florida has also increased its employment in recent years - according to Scripps' annual report, 181 out of 440 employees were Florida residents and 108 alone from Palm Beach County.

## High Wages and Steady Employment

According to a 2012 report from Battelle and the Biotechnology Industry Organization, Florida employs almost 5 percent of the entire U.S.'s bioscience employees. The average annual wage of a Florida bioscience worker in 2010 was \$71,150, 75 percent higher than the Florida average annual wage of \$40,558 during that same time period.

Furthermore, employment in the bioscience industry has increased and has been more stable than overall employment in Florida. The chart to the right shows an index of bioscience jobs in Florida and the growth they have experienced. Employment in the bioscience industry has not been immune to recession, but it has been much less affected than the general economy.

### U.S. Bioscience and Total Private Sector Employment, 2001-10, Indexed (2001=100)



Source: Battelle/Bio State Bioscience Industry Development 2012

## Florida's Specialization

Florida has specialized in two of the five major bioscience categories. Florida is first in employment in “bioscience-related distribution,” with 7.8 percent of total U.S. employment in this category. Bioscience-related distribution uses specialized storage, product monitoring and technology for distribution of medical equipment, drugs, seed, and chemicals. Florida is third in the U.S. in employment in the agricultural feedstock and chemicals category.

The chart to the right shows Florida's higher concentration of employment in bioscience-related distribution, as well as agricultural feedstock and chemicals when compared to the U.S.

Category	US	FL
Research, Testing & Medical Labs	28%	21%
Bioscience-related Distribution	27%	44%
Medical Devices & Equipment	21%	21%
Drugs & Pharmaceuticals	19%	7%
Agricultural Feedstock & Chemicals	5%	7%
Total	100%	100%

An interesting statistic is that bioscience-related distribution, Florida's highest concentration of employment relative to the U.S., has the highest average annual wage (\$82,493) of all five of the major categories of biosciences.

## Meeting the Industry's Demand for Professionals

While the bioscience industry plays a role in enhancing Florida's economy, so does the training of professionals that can occupy positions in this industry. Many bioscience companies have been working together with universities in order to train the next generation of bioscience professionals. Scripps, for example, partnered with Florida Atlantic University in order to offer a joint MD-Ph.D. program.

Florida universities have also undertaken several promising bioscience projects: UCF has opened a College of Medicine, and UF has opened a Research & Academic Center in Lake Nona Medical City in Central Florida. Lake Nona Medical City also houses Sanford-Burnham, MD Anderson Orlando Cancer Research Institute, Nemours Children's hospital, and in the future, the Veterans Affairs (VA) Medical Center. This will be the first VA hospital opened in the U.S. since 1995.

The combination of medical treatment, research, and education all in one complex will provide interdisciplinary information exchanges; offer new bioscience professionals competitive positions in this promising industry; and increase Florida's competitiveness.

Florida's investments in bioscience and the continued expansion of Florida companies, along with the recruitment of new companies to Florida, will help diversify our economy and provide additional high-wage opportunities in our state.

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