

New York's Next Big Industry: Commercial Life Sciences

Targeted public and private investment can double the jobs and economic output of the state's life sciences industry over the next decade.

NEW YORK'S EXISTING ASSETS

↓
Extensive world class biomedical research

New York state is the third largest recipient of National Institutes of Health (NIH) funding in the U.S. (\$2.2 billion versus \$3.6 billion in California and \$2.5 billion in Massachusetts).

↓
Forefront of philanthropic funding

There are 15 top disease-focused foundations based in New York state, awarding over \$400 million in philanthropic research funding annually.

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Huge untapped economic development opportunity

New York state companies secure only \$0.12 in life sciences venture capital funding per \$1.00 of NIH grants awarded here. Massachusetts companies win \$1.24 in life sciences VC funding for every \$1.00 of NIH grants.

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Excellent track record in building a tech sector

In 1995, New York state ranked No. 10 in VC funding for high tech. By 2010, New York moved up to No. 2, where it continues today.

COMMITMENT TO BUILD A CLUSTER

Total of \$650 million

The Executive Budget Proposal would address key gaps in the ecosystem: the need for additional wet lab and manufacturing space, incentives for investment and growth.

The Partnership for New York City projects that this investment will lead to more than 25,000 new jobs and over \$3 billion a year in new economic activity.

\$450 million

Support for life sciences companies

\$250 million in tax incentives for life sciences companies and angel investors

\$200 million public and matching private investment capital for early-stage companies

\$200 million

Capital grants for development of wet labs, innovation spaces and manufacturing facilities

Additional state investment

Support through the state's Employee Training Incentive Program for internships and training programs

WHY INVEST?

Case Study: The Massachusetts Life Sciences Center

A \$1 billion state commitment in 2008 made Massachusetts a global leader in life sciences, creating 10,200 jobs and generating more than \$2.3 billion in additional private investment to date.

Figure 1

\$1 billion state investment (\$609 million to date)

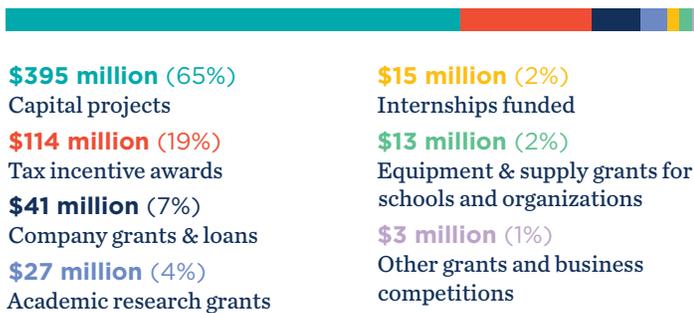


Figure 2

Over 75 percent of new life sciences jobs in Massachusetts require a Bachelor's degree or less.

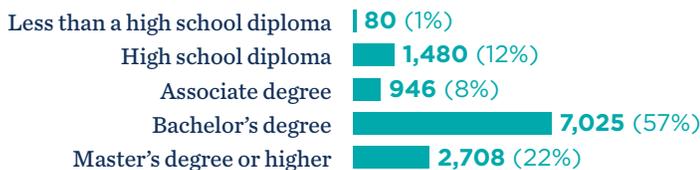
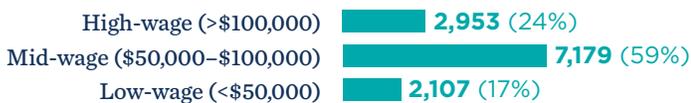


Figure 3

Almost 60 percent of the new life sciences jobs in Massachusetts are paying mid-wage salaries.



Case Study: Regeneron Pharmaceuticals, Inc.

Regeneron Pharmaceuticals, Inc. shows the potential for statewide benefits of commercial life sciences companies incubating in the city.

Regeneron started in 1988 with a small scientific team based at Weill Cornell Medicine and Columbia University. In 1989 Regeneron relocated to what was the closest lab space to New York City that provided near term growth potential—the Landmark at Eastview in Tarrytown.

In 1993 Regeneron took over a former Sterling drug factory in Rensselaer County and created over 1,300 manufacturing jobs. In November 2015 Regeneron announced a \$150 million investment in its Tarrytown headquarters that is expected to create at least 300 new jobs. Most recently, Regeneron has purchased a 383,000 square foot building in Sleepy Hollow for further expansion.

Today the company has 4,000 employees worldwide, a \$40 billion market capitalization, annual revenues of almost \$5 billion and active research and development programs in many disease areas, including ophthalmology, inflammation and cancer.

RECENT ACTIVITY IN NEW YORK

JLABS Accelerator

Johnson & Johnson has committed to open New York City's first commercial start up accelerator at the New York Genome Center in Manhattan, conditional on a \$17 million grant that is part of the Executive Budget proposal. This 30,000-square-foot facility will provide affordable plug-and-play wet lab and office space with flexible terms and shared services for early-stage life sciences companies. Target opening is mid-2018.

Hutchinson Metro Center South Campus

The Hutchinson Metro Center South Campus is a 33-acre site, formerly occupied by the Bronx Psychiatric Center, adjacent to the Hutchinson Metro Center in the Pelham Bay section of the Bronx. The South Campus project will be developed in two phases: Phase 1 will consist of 500,000 square feet of medical offices, a health care training institute and an incubator space for bioscience research; Phase 2 will consist of an additional 250,000 square feet of space including research and development facilities. With state support, this project can be the hub of a new life sciences cluster in the Bronx.