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Investment in medical innovation crucial

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The Food and Drug Administration just approved the first drug shown to extend the lives of patients diagnosed with late-stage melanoma, the deadliest form of skin cancer. This exciting biomedical breakthrough made front-page news across the country.

Not only is the new drug itself a remarkable innovation, but it is part of a new class of treatments that work by boosting the body's own immune system to fight treatment-resistant cancers. New cures and life-enhancing discoveries are happening every day in the life sciences sector.

The life sciences industry is vital right here in Pittsburgh. According to the Pittsburgh Technology Council's State of the Industry Report, there are 40 instrument and device makers, 124 bio research firms and 11 pharmaceutical companies in Western Pennsylvania that employ more than 9,000 people.

A recent study by Archstone Consulting shows there are more than 37,500 direct industry jobs in this state. The ripple effect of this work stimulates more than 152,000 additional jobs in support sectors, including contract research organizations, construction companies, daycare providers and restaurants. This growing industry is boosting the economy and creating jobs even in tough economic times.

These jobs and the salaries earned lead to taxes paid. Personal state and

federal income taxes in the Pennsylvania biomedical sector averaged \$28,612 per employee, versus \$8,908 per employee in the rest of the state.

Additionally, of the \$51 billion invested annually by the biopharmaceutical industry in U.S. research and development, about 10 percent - \$4.9 billion - is invested right here in Pennsylvania. The University of

The biomedical industry's positive economic effects in Pennsylvania are undeniable. This sector is an economic stimulator with a huge ripple effect on jobs and workplace productivity.

Pittsburgh ranks 17 out of 679 colleges and universities nationwide with R&D expenditures in 2008 at \$596 million.

It's no secret that the creation of new treatments slows the progression of long-term ailments, improves the health and quality of life of patients, and, sometimes, cures debilitating diseases. These developments, in turn, lead to a reduction in health care costs, rates of hospital visits and long-term care expenses - and our region is at the forefront of these medical innovations.

For example, there were more than 15,000 clinical trials conducted in America

in 2010 with roughly 3,000 of those taking place in this state. Half of the local trials last year were for new cancer treatments, a quarter targeted chronic and debilitating diseases like diabetes, heart and respiratory conditions, Alzheimer's and HIV/AIDS.

Pennsylvania's role as a biomedical leader should continue to be supported. We can't afford to sit on our laurels. These businesses will locate elsewhere - other countries are already furiously reforming their regulatory, education and tax infrastructure to entice pharmaceutical developers.

Policymakers should ensure students are equipped with the math and science abilities required to work in this industry. Having a high-quality workforce will attract research and pharmaceutical organizations to do business here.

Medical innovation is a key element of economic recovery.

The biomedical industry's positive economic effects in Pittsburgh, and Pennsylvania as a whole, are undeniable. This sector is an economic stimulator with a huge ripple effect on jobs and workplace productivity. By cultivating biotech, local lawmakers can improve the economy while enhancing the health and happiness of patients.

John Pippy is a state senator representing Pennsylvania's 37th District and co-chair of the Life Sciences Caucus.