

Update on the Partnership

Governor Pawlenty Endorses Partnership in State of the State Address

"I want to be perfectly clear on this point: I won't sign a bonding bill this year without this project [The Partnership] in it."

Pawlenty followed this vow to fund the lab space and earmark \$15 million in state research funding for the Partnership with an announcement that Medica has donated \$5 million for the project, and that more private contributions are forthcoming.

He noted that it was just two years ago when he introduced the Partnership, and that the strength of Mayo Clinic and the University of Minnesota coming together is an "awesome force in the world's medical research marketplace, and it will bring

great benefit to Minnesota." He said that Mayo and the University will partner on cutting-edge research, hailed Mayo as "one of Minnesota's booster rockets" and described Rochester as an example of a "successful global competitor."

Pawlenty delivered his address from Mayo's Superior Drive Support Center that only a year ago was empty when Celestica, an electronic card manufacturing company moved its jobs elsewhere. The City of Rochester won a tax-free designation for the property under Pawlenty's JOBZ initiative, exempting it from property taxes for a dozen years. In just one year Mayo moved its growing Mayo Collaborative Services, Inc. (MCSI) into the building. MCSI is an externally focused service organization for the provision of medically and scientifically relevant services. Pawlenty's choice of location emphasizes

the potential of medical testing, much of which is based on genomic medicine.

Pawlenty's commitment to the Partnership was reinforced by Hugh Smith, M.D., chair of the Mayo Clinic Board of Governors and Frank Cerra, Senior Vice President, Health Sciences at the University of Minnesota, who wrote to legislators urgently requesting their support for \$70 million over the next five years and bonding for our research space. They noted that Minnesota's position as a leader in the biosciences race depends greatly upon the state's action over the next several months, and that continuing to expand Minnesota's scientific programs and retain our talent requires securing the necessary state funding early this year. Their letter emphasized that Minnesota is at a critical point that will determine whether the state will succeed or fail in this fast moving field. □

Research Developments

Results to date have exceeded all expectations since we unveiled the Partnership in early 2003. Four University of Minnesota-Mayo Clinic teams are working on important research involving prostate cancer, Alzheimer's disease, obesity and heart disease — issues affecting thousands of Minnesotans. In the past year alone our researchers have made enormous progress:

- Our research teams have submitted five papers for publication in prestigious medical journals.
- Partnership teams have received two grants — an equipment grant award from the VA Medical Center Research Services, and an equipment grant award from the Minnesota Medical Foundation.
- Research teams have submitted two federal grant applications, including a competitive renewal of a National Institutes of Health Specialized Programs of Research Excellence (SPORE) grant, and a National Science Foundation grant.
- A Partnership team is preparing to submit an application for an NIH Program Project Grant — titled "Physical activity and obesity: from molecule to community." The goals of this project complement and expand upon the Minnesota Partnership project, and include the current Partnership project participants in addition to several other University and Mayo Clinic faculty.
- One patent application has been filed already.



The Minnesota Partnership for Biotechnology and Medical Genomics is a Minnesota

initiative leveraging the scientific leadership of the University of Minnesota and Mayo Clinic. This is the fourth newsletter to keep you informed on the progress of the Partnership and news in the field of biotechnology and medical genomics. For more information, visit our Web site at www.MayoUMinnesotaPartnership.org; call the Academic Health Center at the University of Minnesota at 612.624.5100 or Mayo Clinic at 507.284.9258.

Mayo and University Office of Business Development Join Forces

The Mayo Clinic and the University of Minnesota Office of Business Development (OBD) are collaborating with the Partnership to capitalize on business opportunities with each other and with outside entities. This exciting development further supports the vast array of scientific efforts being pursued at Mayo and the University. The OBD makes it even easier to leverage the business development expertise of both institutions by bringing together Mayo and University scientists engaged in related projects or with similar scientific interests. Building on this close working relationship, Mayo recently established an office in the University's OBD. The OBD is an important step in building on the Partnership's established potential to create jobs, advance technology and seed the future of genomic medicine.

Denis A. Cortese, M.D., President and CEO, Mayo Foundation, chairs the OBD at Mayo with Rick Colvin and Lester E. Wold, M.D., managing the daily operations. Mayo's



OBD is most active in the formation of start-up companies, serving as the bridge between scientific discoveries and the marketplace. Adaptability and creativity have allowed licensing and commercialization of inventions, while developing a significant flow of income to support programs in education and research.

The University OBD resides in the Office of the Vice President for Research, led by R. Timothy Mulcahy, with Doug Johnson serving as director. The OBD complements the University's Office of Patents and Technology Marketing, which identifies and protects University-developed technologies and negotiates their transfer to the private sector through licensing. The

OBD is located in University Enterprise Laboratories, Inc. (UEL), a research incubator facility that houses both University-related start-ups and private sector firms. OBD's presence in UEL strategically increases its contact with businesses that utilize OBD services. The OBD has a close relationship with the Carlson School of Management, and frequently uses MBA students to develop business plans and perform financial analysis for potential businesses, an excellent resource that Mayo does not have on its campus.

Mayo and University OBD staff have already identified opportunities to support scientific discoveries, quickly bringing them to the public as new treatments for many diseases. For example, scientists at Mayo and the University are both interested in new ways to deliver existing drugs. The OBD is introducing scientists who may not otherwise know about each others' work and is supporting any potential business opportunities. □

The competition

California voters approved a \$3 billion biosciences ballot initiative this past November and two of our Midwest neighbors are implementing major biotechnology initiatives. Our "intellectual assets," the scientists that we need to remain competitive, are no different from other highly talented professionals — they are drawn to institutions of excellence with sufficient funding to do their important work. The initiatives of Wisconsin and Ohio illustrate the urgency for Minnesota to continue advancing our state's biotechnology programs.

Wisconsin: Wisconsin has a \$750 million plan to bolster the state's position in the bioscience field, including a \$375 million institute at the University of Wisconsin-Madison campus. The institute will be funded with state and private money. The new UW facility, called the Wisconsin Institute for Discovery, will include specialists in biochemistry, nanotechnology, computer engineering and bioinformatics, a growing field that involves using software and databases to evaluate medical information. Governor Jim Doyle has also outlined a strategy for keeping Wisconsin's biomedical research competitive. The plan

includes changing state laws to make it easier for faculty to be entrepreneurs and committing \$1.5 million a year of state money to Alzheimer's research. Wisconsin has invested more than \$1 billion over the last 15 years in high-tech facilities. Doyle will submit the funding package for the institute to the Wisconsin Legislature early this year as part of his proposed budget for 2005 through 2007. Other proposed initiatives:

- A \$134 million Interdisciplinary Research Complex near the UW Hospital and Clinics.
- A \$132 million research center at the Medical College of Wisconsin and Children's Hospital of Wisconsin to focus on infectious disease control, cardiovascular illnesses and biotechnology.
- A \$105 million investment in medical education and research.

Ohio: Ohio was one of the nation's biggest gainers in venture capital for biotechnology between 2001 and 2003. In 2001, Ohio biotech firms received \$1.4 million in venture capital, \$41.7 million in 2002 and \$32.9 million in 2003. Ohio considers itself

a national leader in the biotech industry, and the growth of venture capital supports this self-fulfilling prophecy. Ohio's "Third Frontier Project" puts \$1.1 billion in state money into tech research centers, incubators, universities and companies over a 10-year period ending in 2012. In 2003, the program granted \$25 million to a public-private consortium in Cincinnati for the study of computational medicine. Ohio illustrates that venture capital firms are targeting the biosciences as a way to make money. Triathlon Medical Ventures of Cincinnati, for example, raised \$96 million this year to invest in biotech start-ups. □

Your Support Matters

If you are intrigued by what you've read about the Minnesota Partnership for Biotechnology and Medical Genomics and would like to learn more or show your support, visit our Web site. If you or someone you know has benefited from medical advancements in biotechnology or medical genomics, please share your story with us.