

Planned biotechnology industry ready to blossom

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Patience is key in the biotechnology industry, but this year it seems the field is surging ahead.

The start of new tax incentives and some venture capital funds designated for Louisiana are saying "ready, set, go" to ideas that could take more than a decade to go from the research lab to consumers.

And local leaders, armed with thick packets of master plans, are poised for growth in the planned 800-acre InterTech Science Park, which they expect will contribute 6,000 jobs in 25 years.

"Lots of states are chasing after the life science and economic development strategies," said Dennis Lower, director of the park. "Louisiana is one -- we need to be. It's expected to have the highest job growth in the next 25 years."

It's hard to tell what Shreveport's economy will look like in a quarter of a century. One threat, for example, is the possibility of Texas casinos crushing the local market.

But the biotech industry is being set into motion and is expected to ripen, both by attracting established companies and by building new ones in Shreveport labs.

Previous setbacks -- a slumping economy after 9/11, lack of venture capitalists -- are blamed for the failures of the companies Bio-Tech Imaging and Orthoevolution. In response to a 2003 report criticizing the Biomedical Research Foundation's strategies, officials are trying to do a better job of managing risk and seeking more help from entrepreneurs in the community.

"We believe we still have the right model," said Jack Sharp, president of the foundation, which is sponsoring InterTech's development. "We had some things that didn't work out, but we're going to stay at it and hope to do better."

Leaders like to focus on the good that's come in the past few years, several companies including Red River Pharma and SteriFx. They also are looking forward to a better economy, an influx of money to invest in startups and support from the state.

Help will come from substantial Angel Investment Credits and the Headquarter Growth Bill. The first provides a 50 percent tax credit over five years for investment in startups. The second changes state law that taxes companies on facilities, employees and goods to just levy taxes on goods.

Without this incentive, biotech companies especially would be unwilling to put plants in Louisiana, because it would be cheaper to just ship products in.

"(Biotech sites) are very capital intensive," Lower said. "One hundred thousand square feet can be more than \$100 million. The (bill) narrows the search pretty quickly."

Meanwhile, planners are working on several fronts to lay the foundation for InterTech.

"Generally we (as a society) are impatient," Lower said. "We want to see results immediately. This is an important rule: It takes time to build science parks. The average is 20 to 25 years from inception to maturity."

That's why InterTech has programs to educate local students starting in fourth grade. In the works this year is a biotech magnet program at Southwood High School that's expected to start in the fall of 2006.

"It takes 15 years to educate a child," Sharp said. "We have to start now; we can't wait until they're seniors. The knowledge component is the single greatest component of work force development."

Other projects being worked on include:

Scientific equipment: The foundation announced Wednesday a \$300,000 grant, to be matched with \$600,000, that will pay for scientific equipment and establish an endowment.

Real estate: Biomed owns about 20 acres of "strategic parcels" of the 100-acre plot it's hoping to develop in the first phase of InterTech.

Businesses: A European company is being courted with the help of the Louisiana Department of Economic Development to move in southwest of Kings Highway and Mansfield Road.

Startup help: BioSpace1, a \$12 million wetlab incubator, is expected to open in October with similar equipment to what's in the Biomedical Research Institute at LSUHSC. Currently, InterTech companies lease those labs.

Ideas born in those labs are expected to move into the InterTech park. Fledgling companies are already starting to get the attention of venture



Paula Polk, a research associate with LSU Health Science Center, shows a gene chip that allows her to analyze every gene in the human genome in a single experiment. Polk works at the Biomedical Research Foundation of Northwest Louisiana. (Robert Ruiz/The Times.)

capitalists.

Louisiana Ventures, a Shreveport-based fund soon to be worth \$30 million, is helping start Embera Neuro-Technologies, a company based on a drug that'll help cocaine and methamphetamine addicts.

There was a breakthrough in the technology a couple of years ago, but researchers needed money to take the next step, said Ross Barrett, a partner in the fund.

A Shreveport native, Barrett returned home after working on the East Coast to invest in Louisiana companies.

"We came here simply because we saw a market opportunity," he said. "Where there's an inefficiency in the market -- and the inefficiency here is lack of capital -- there's an opportunity to profit. If you go to San Francisco, there are 500 venture funds."

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