EP.135 - Alex Philippidis

Narrator: You're listening to *BioTalk* with Rich Bendis, the only podcast focused on the BioHealth Capital Region. Each episode, we'll talk to leaders in the industry to break down the biggest topics happening today in BioHealth.

Rich Bendis: Hi, this is Rich Bendis, your host for *BioTalk*, and we really have a repeat guest that we love coming on this show all the time, because he always has industry knowledge, and sometimes it's breaking knowledge, about new things happening within the bio and the life science industry across the United States. But our guest is Alex Philippidis, a good friend of *BioTalk*, and also the BioHealth Capital Region. But he is the Senior Business Editor for *Genetic Engineering & Biotechnology News*. And Alex is probably on his fourth or fifth *BioTalk* with me.

0:00:55 But this one's going to be very meaningful for us personally within the region because the new rankings, biopharma cluster rankings just came out yesterday for 2023, and that's one of the reasons we're going to talk to Alex today. So, Alex, welcome to *BioTalk* again.

Alex Philippidis: Thanks, Rich. Glad to be here again.

Rich Bendis: For listeners who are first-time listeners who don't know you, as a matter of fact, you know, you've appeared at the BioHealth Capital Region Forum, I think, since 2019, and you're going to come again in 2023, which we're excited about. But for those people who don't know you, I'd like for you to introduce yourself a little bit, give a little background for the new listeners just meeting Alex for the first time.

Alex Philippidis: Sure. I'm a Senior Business Editor at GEN, which is *Genetic Engineering & Biotechnology News*. It's a trade publication that covers life sciences and biopharma. And we have, you know, subspecialties within there, you know, drug discovery, omics, bioprocessing, cell and gene therapy, and a few other sections like that.

0:02:03 In my case, I've been with GEN and its parent, Mary Ann Liebert, Inc., since 2011. And, by way of background, I had previously been a reporter for weekly and later general interest daily newspapers. Then for 14 years, I was a reporter and later editor at the *Westchester County Business Journal*, a weekly business publication, where what I covered, in addition to the kind of backbone beats like real estate and banking, included some

biotechnology. And that's how I first got interested in the topic so that when an opportunity came up later in 2007, I left the *Business Journal* for a New York biotech publisher called *GenomeWeb*, and what I did there was editor of a weekly economic development newsletter focused on biotech, the whole scramble of states and cities and regions to attract biotech and other life science companies.

0:03:02 And that newsletter lasted three years. It allowed me to travel across the country into different areas, including a couple of trips to Baltimore because of facilities being built at Johns Hopkins, as well as the development of some programs. And there was a Maryland 2020 effort of then Governor Martin O'Malley. And I did go in to there as well as Washington, D.C., for events. So I did get a little bit of exposure to the region there.

When the newsletter ended [laugh], following a change of CEO, I wound up joining Liebert, who's owner, Mary Ann Liebert, the [laugh] real dynamo in medical and social sciences publishing. We had been in touch for years because I had written about their company leaving Manhattan and moving to Westchester County, originally to Larchmont, and later to New Rochelle, where Liebert and GEN are currently based.

0:04:00 And so we stayed in touch for a while. Sometimes she wanted to hire me. But, yeah, at the time I was content where I was. But later on, I joined Liebert and GEN, and glad I did. So this would be, gosh, about 12 and a half years that I've been there, and it's like a grad school education in terms of the [laugh] kind of science you get exposed to.

Rich Bendis: I think we all get educated by what you publish and what you write about, Alex, so keep it up. And, you know, it's funny, my career with BioHealth Innovation in the Maryland, D.C., Virginia region almost parallels yours because I got started going down there in about 2010. This is 2013 or '23, so almost a similar parallel, my region to what you've been doing with GEN. So maybe the moons are aligned here—

Alex Philippidis: [laugh]

Rich Bendis: —for us to be talking together.

Alex Philippidis: Yeah.

Rich Bendis: But I think one of the things happened probably when you joined GEN is you brought some new ideas there and some other new concepts for the publication.

0:05:00 Please give us a little history on the origination and the idea for doing the *Top 10 Biopharma Cluster Rankings* which you've done, how it evolved, and what your role has been in its evolution.

Alex Philippidis: Well, there was at least some interest at GEN in certainly the largest of the clusters, because I remember writing about those as early as 2011. But those were sort of individual, long, TV guide capsule descriptions of the regions. They were not rankings. They were not an attempt to delve into what they have or didn't have, other than, gee, here's a general gloss. What happened was, in the early 20-teens, for whatever reason, several biotech publications got into efforts to try to define, and then kind of measure up the regions and how they stood in terms of attracting biotech and other life science companies.

0:06:00 So it was in that vein that GEN's then editors—and I said, "Well, why don't we do the same?" And the only difference was that, where possible, we tried to use numbers, and numbers that could be accessed publicly, one way or other, and that was different from a broader sweep where some of the other publications had the expertise of various editors or writers weighing in. But we tried a different approach. In 2014 was the first cluster list, and that was topped by San Francisco, with Boston, Cambridge a strong second.

And then the second year, Boston, Cambridge emerged on top, and stayed there, and stayed there until this year where there was not only the BioHealth Capital Region moving on up but so too San Francisco moving on back to the top this year, but also some changes. Again, the regions tend to be the same year-over-year, but there are differences from times in terms of activity, whether that's lab space activity, whether that is more in terms attracting capital.

0:07:08 And we've seen differences over the past 18 months in how capital changes have reshaped these rankings to a degree.

Rich Bendis: Yeah, I think all of us have seen that, and can't wait till we get back to what it was like in 2021 again. [laugh] But how did you come up with the fi…you mentioned having quantitative objective criteria. How did you

finally decide on the five criteria that you've consistently applied to these rankings, Alex?

Alex Philippidis: I think a key was that they had numbers available in some way, either because there were databases with that or because you could easily access the numbers, whether through third parties, commercial real estate firms, for example, or from the regions themselves.

0:07:55 The five criteria I use—and I should go through those—are things that have been talked about a lot within the industry and among stakeholders trying to build a critical mass for those industries. And I think back to when Massachusetts in—what is it?—2007–08, then Governor Deval Patrick started with a billion-dollar Biotech Bond Act. And part of that was reviving and adding funding for what was in the Massachusetts Life Sciences Center, which still exists to promote the state and biotech, but also getting various institutions, companies, nonprofits, and the like to talk to each other, to have some more cohesion.

There were a lot of silos and [0:08:41 satrapies?]. But among the measures, you always talked about NIH funding, especially the universities and the research centers always pursued that, and that was something I kept hearing about as a measure of health, a measure that the institutions could not only carry out their research but that they were on the map in a way with the NIH.

0:09:05 So there's a publicly available database, updated weekly. The NIH RePORT, it's called. So those numbers can be gained from there. Venture capital funding, now, there used to be a very widely publicly available website that PwC maintained. About two years ago, they stopped running that, so I've had to go to other sources, and there are several.

This year, PitchBook pitched in and provided the figures in the current venture capital portion of our cluster list. And the reason for that is because, well, growing companies need capital if they're ever going to grow in an area, or sometimes they move to another region because of greater availability of capital. So that's a key measure for the smaller, especially the non-public companies where they're not going to tell you how much they made, and maybe they haven't made anything. [laugh]

0:10:02 But they're more likely to say how much they've raised in venture capital. So you've got at least some area, some way to check the health of start-

ups and early-stage companies. And that's, again, vital because they're going to be the employers that create the jobs that get these regions growing. In biotech patents, it's because whether they're companies or universities or institutions, they've got to create something unique, something that they can either hold onto for intellectual property, monetize by selling or licensing to another entity.

And the US Patent and Trademark Office does keep records publicly. They overhauled the database in the past year, so that wound up increasing the numbers because search results will now capture references to cities and states among inventors, and even the text of the claims within patent families, in addition to simply the assignee companies or institutions.

0:11:04 And that had the effect of inflating everybody's numbers. And here's where BHCR, a lot of the inventions or inventors make reference to either the NIH or the National Library of Medicine or some of the component institutes within the NIH, and that is of the region, and that's certainly helped.

In lab space, we've seen developers either build new, grow into large owner-developers, managers of these spaces, like an Alexandria Real Estate, like a BioMed Realty, although BioMed's privately held as part of Blackstone, so a key difference there. But the measure of lab space was a barometer for, gee, how many companies are coming, and are these companies growing in the area? And that's why I included that. Also, those numbers, you can come by them because several commercial real estate brokers compile them.

0:12:01 I look for mainly the biggest of the numbers because, especially in that industry, there's a sense sometimes if a brokerage is not connected to a particular developer, they might not include [laugh] a building in their measure. So any of numerous firms but also some of the regions and states keep their own statistics. I do defer to those because I get the feeling that if they're tracking and wanting to build a region, they know what's going on on the ground.

So that's why there's a difference there when I get the figures for lab space as well as jobs, so where I prefer regional groups. But, again, commercial real estate firms, economic development agencies, and

others do compile their own. And if there aren't regional biotech groups with their own numbers, I look elsewhere, and we'll find the numbers for jobs. Now, for jobs, people want to, you know, a great way to see if the industry's growing is are they creating any jobs?

0:13:00 Are they expanding? And this is where as start-ups grow into full-fledged companies with something to sell, or a technology platform to license to others, that will be a measure of how healthy that region is in biotech.

Rich Bendis: Well, I think that's a great explanation of the five indices that you're basically using for the rankings. And even though there might be some changes, the changes that are applied apply equally to all of the different clusters so that everyone basically benefits to a certain extent, or with any changes or modifications that happen with the data collection for those different areas.

But let's talk about what's happening in 2023 right now, and I know you did a lot of searching to go back through all of the regions in the United States, and looked at all of these five ranking categories. And I think the listeners are going to be very interested to hear about what are the major trends, the major differences. What are the major swings that you see happening in 2023?

0:14:01 You already talked a little bit about the capital challenges we have this year versus what we had in some prior years. But I'd like to get your perspective on what you see is the macro view related to major changes, and then I'll let you drill down, and you can work from your bottom up or top down, however you want to do it, on your top 10 for 2023, Alex.

Alex Philippidis: Sure. In terms of overall trends, I think the first change—and we've seen this over the last 18 months to 2 years—is that venture capital financing went down across industries, and it's still a bit down this year, although we have been reading, at least anecdotally, about some bigger financings here and there, usually in areas of very promising technologies or companies that have had some success in an earlier round, so they've got the investor confidence to gain more financing that way. But that's had the effect of reshaping some of the rankings.

0:14:58 Another trend I'm seeing is there is still a lot of interest by developers in at least thinking out and working on new lab space projects or converting older buildings to lab space. The latter is especially the case in New York

City, where there aren't really many campuses, unless you count Alexandria's campus on the East River in Manhattan. But there are numerous old buildings whose landlords are looking for some kind of different way to repurpose them to get the buildings making money again.

And many have taken on conversions to lab space, even though they involve a heck of a lot of money. It's not just an office space where you're including computer wiring and lights and a box with a drop ceiling. Lab space is far more involved in terms of the electric you need, the water you need, and infrastructure, you might say.

0:15:55 But there's still a lot of interest now. In some of the regions where there've been a lot of plans, they haven't all been built yet. We've seen this in New York City, and that's one reason why New York City actually dipped a little this year from last. And while there is a lot of talk, in fact, a year ago, the city of New York was talking about having 10 million new square feet come on board in the city alone in the next decade.

But it's not yet happened, and it's going to take, I think, a healthier economy and, frankly, a healthier life science ecosystem in New York for that space to get built and to be filled up. Now, real estate's a lagging indicator because it takes time to come up with these projects, and it takes more time to get the financing to build them, and it takes even more time to actually build them. So that gives developers a lot of time to pull back if they see the [0:16:54].

0:16:55 There's been a lot of signs of slowdown in the last year and a half, and that's why we haven't seen everything get built. But, by contrast, you look at an area that's going—Boston, Cambridge, even with their challenge, especially last year with venture capital, there is something like 15 million square feet roughly under construction with another, gosh, anywhere from 26 million to 59 million are the estimates for how many square feet are expected to be completed by 2025.

Rich Bendis: Wow.

Alex Philippidis: Yeah. And Boston's already ahead of any other region in terms of lab space, so. And that, I think, also affects things like New York. If you're in the Northeast, you might want to go to Boston, Cambridge, because

there's more space available, and you might get a better deal if you're willing to move away from the downtowns.

Rich Bendis: And the cost of living in both of those might be very comparable, so it's not like going from Boston or New York to Research Triangle. New York to Boston, you're going to have comparable cost of living in both of those areas because they're both very high price.

0:18:01 But it is amazing when you talk about those statistics and those numbers for Boston, and the amount of lab space in that concentrated market that's up there in that region. But, surprisingly, when you get through the rankings, you'll find out that that's just one of five criteria, and there's four other criteria that impact that game that San Francisco and Boston always have to play against one another in who's going to be the top dog? So, without further ado, Alex, why don't we let you take a little run through your top 10 for 2023, because I know the listeners are interested to see where their regions fall, and what changes there are in this year.

Alex Philippidis: Sure thing, and I'll go through them. The regions will be very familiar to you because they've made just about all the last four or five years' worth of lists, but the orders of some of them are varied. I'll start from number 10, and climb on up.

0:18:54 Number 10 is Chicagoland, where there've been a flurry of lab space projects and proposals over the last couple years as the city and some nearby suburbs have taken a liking to and embraced life sciences. While some of those projects are getting built, others aren't, but Chicagoland did have a feather in its cap earlier this year when the Chan Zuckerberg lab, their Biohub, has decided to locate a second big lab in Chicago.

Chicago beat out 36 different US cities that had submitted applications to host the Biohub, and that's a big get for a region that's not one of the biggest ones. And in some ways, we've seen more projects, proposals, and renderings than we've seen actual space get built there. However, they've got a major life sci developer that's pretty busy in that area in Trammell Crow.

0:19:54 I know they're in many different regions, but in Trammell Crow, they not only are filling—they not only attracted Chan Zuckerberg to their Fulton Labs project but they started a project in a suburb of the Hyde Park Labs in University of Chicago, while we've seen Evanston, Illinois is where

Trammell Crow is building another project, Evanston Labs. So you've got Trammell Crow in the city and suburbs of Chicago, trying to be a regional powerhouse in biotech. So they're sixth in jobs, ninth in patents, tenth in NIH funding and venture capital, only 11th in lab space because, again, many of those projects we've been hearing about the last couple years haven't been built yet.

But that's expected to rise because, at the moment, there's almost half a million square feet under construction, and there's still those projects, which if developers feel more confident about the economy, they're likely to move on. Moving to number nine, and out west, Seattle, where one good thing in the region has been seeing three biotechs that have attracted buyouts of multi-billion dollars.

0:21:02 Seagen is being bought out by Pfizer for $43 billion, the biggest deal of the year so far. Chinook Therapeutics is being bought out by Novartis for more than $3 billion, and CTI BioPharma by Sobi, Swedish Orphan Biovitrum. And one vote of confidence in Seattle was Moderna using or locating a new 220-person office and labs over there as their West Coast adjunct, and they'll have one in the Boston, Cambridge area as well.

So two new labs, Moderna's opening up, and Seattle attracted one of them. Number eight, North Carolina, and that's where we saw, again, a wave in recent years of big biopharma companies expanding in cell and gene therapy, development, and manufacturing. There's been, in recent years, a migration and attraction of manufacturing facilities in that state.

0:22:00 However, one of them we saw, sadly enough, get near flattened by a tornado in Rocky Mount, North Carolina. The good news is that all the 4,500 Pfizer employees that work there are safe and were not harmed. But the flattening of that plant has led to shortages in production of certain prescription drugs, we've learned in later news reports.

Pfizer is one of 39 life sci and related companies to announce either they're expanding in or relocating to North Carolina since the start of last year. The state credits those companies for creating 3,500 new jobs. And among the recent ones, again, Pfizer's been growing crazy. They bought Abzena's manufacturing facility in Sanford, which is where Pfizer had its own facility expand for gene therapy. Eli Lilly announced that expansion in Research Triangle Park.

0:22:54 And ProKidney, which is a chronic kidney cell therapy developer, said they're going to create a manufacturing plant in Greensboro that'll employ up to 330 people. So the state is fifth in NHI funding, but the venture capital funding is sixth. It actually climbed up from 10th. Now that's an interesting area because I think the region has started focusing a little bit more or looking—trying to look beyond simply the big pharmas in manufacturing, and it's paid off that way. They're counting eighth in jobs, seventh in lab space, but also eighth in patents, so they're about right.

Greater Philadelphia, now, that's a region that has explicitly said they want to be a powerhouse in cell and gene therapy, and they've got plenty of heritage in the field: pioneers like Jim Wilson, the Children's Hospital of Philadelphia, Passage Bio, now focused on a turnaround, and Sparks Therapeutics, which is Roche-owned and is building a gene therapy innovation center in University City, downtown Philadelphia.

0:23:59 They are highest in patents at fourth, which makes sense, given all the universities and the bigger employers; sixth in lab space and NIH funding; but ninth in jobs and venture capital. And there's some angst within that region that they don't raise enough capital to keep or attract smaller companies and make them grow into middle-stage and further higher pharmas. So that's a challenge in the region.

San Diego, we ranked as sixth. I know it's still first of mind, given its history and heritage in biopharma, and they've got actually a couple of companies of note there. Prometheus Biosciences was bought out for almost $11 billion by Merck. And Boundless Bio—talk about a name—closed on $100 million dollars of series C financing, co-led by Bayer's investment arm.

0:24:55 And there are two big campuses taking shape the: RaDD, Research and Development District on the Pacific coastline; and the Pacific Center in Sorrento Mesa, further inland, which is set to open next year. Pacific Center is Sterling Bay. That's another big national developer of lab space.

However, one big thing we're following in that region is Illumina, which proved surprisingly shaky this past year. They're eliminating an unspecified number of jobs, and they've had the turmoil in recent months over Carl Icahn trying to install allies to their board. One of them

got onto the board, which led to the resignation of the CEO. Why? Because that new Icahn board member, he offended and ousted the chairman, and the chairman had been an ally of Francis deSouza [laugh].

San Diego is going to be home of Bio next year, the Bio International Convention. It's a fourth in lab space and venture capital; fifth in patents; but seventh in jobs; and just ninth in NIH funding.

0:26:00 That history of business, biotech, and pharma is great in terms of there, but it doesn't get you a lot of NIH money, and it shows every year. Los Angeles, Orange County, grew and it's long, sort of a very distant third and a laughing stock among the California biotech regions, but no more. A big reason why is venture capital, where a venture firm located in LA called Westlake Village BioPartners launched a third fund, $450 million fund, and the firm has already helped launch eight companies in that region.

Another strength is drug development, thanks to the chimeric antigen receptor T-cell cell therapy developers like Kite Pharma, and also the continuing powerhouse of Amgen. But LA is third in jobs and venture capital, but other indicators lag behind: seventh in NIH funding, seventh in patents, eighth in lab space.

0:26:59 Going out east to New York, New Jersey, there are projects still being at least talked about. Some are being built: the West End Labs, for example, and the Iron Horse Labs. Iron Horse is named for the location, 309 East 94th Street. It's the birthplace of Lou Gehrig, who was the Iron Horse of New York Yankees baseball fame [laugh]. And there's also plans for a million and a half square-foot research campus involving the city and state of New York and City University of New York.

And that's interesting to me because the city and state have not gotten along, generally. They've been at cross purposes. They have separate biotech incentive programs. However, they both are marching in the same direction, and it is hoped that this project will lead to a little bit more cooperation between both governments, because the lack of that has been a detracting factor for New York, New Jersey, at least on the New York side.

0:27:55 But major campuses coming up both in New Jersey, what would be the state's larges…sole all-cancer hospital, which is now getting built; the

Health & Life Science Exchange, which is a major life sci project built in phases. They're both in New Brunswick, New Jersey. Up further north in Pearl River, New York, Pfizer will expand its vaccine research operation there, citing the COVID-19 success with vaccines. Let's see, it's going to depend, I think, how well some of their other programs in development go, especially as sales for the COVID-19 vaccine have lagged in recent months.

Regeneron is carrying out a huge expansion, $1.8 billion, that would add about 1,500 new jobs to Tarrytown, New York, in Westchester County. You're looking at New York, New Jersey, it's second in jobs and NIH funding, but the lab space, it's slipped to fifth, and it's fifth in venture capital, middle of the pack, and sixth in patents, so still a ways to go.

0:28:56 The BioHealth Capital Region being third best, there's been some things to mark those accomplishments. Johns Hopkins got conditional site plan approval with Trammell Crow for The Lab at Belward in Shady Grove. MilliporeSigma is expanding in biosafety testing. Kite Pharma is building in Frederick, Maryland. Then again, not all the news is upbeat, as we saw with Novavax having lagged in COVID vaccine sales, and announcing the layoffs back in May.

However, Virginia is talking about a big Paul and Diane Manning Institute of Biotechnology adjacent to UVA in Charlottesville. And what's interesting is Paul Manning, for whom this is co-named, is the chairman and CEO of PBM Capital, which is a healthcare-focused investment firm. So, looking at it, the BioHealth Capital Region's third in NIH funding and lab space, fourth in jobs, eighth in venture capital, and first in patents.

0:29:59 Boston, Cambridge, which has slipped to second, it's still the leader in lab space and NIH funding. It's still fifth in jobs. Where it went down was venture capital, and dipped in patents, although in patents it's still behind San Francisco, and it was even before last—even before this year. But having San Francisco edge out Boston, Cambridge in venture capital last year may account for that fluctuation.

But it also shows you that the two regions, Boston, Cambridge, and San Francisco Bay are neck and neck, and it's indeed entirely possible that Boston, Cambridge will zoom back up there in a year or two, pending how things go. Looking at Boston, Cambridge, again, second in venture

capital. And looking at the rest whole then, I've got some figures for Boston: fifth in jobs.

0:30:56 Now, that's an ongoing challenge because other regions have been building up employment. And looking in number one, the San Francisco Bay Area, Trammell Crow, again, proposing a two-tower, 750,000-square foot development in South San Francisco, where the Planning Commission approved plans to add two stories to an existing commercial building, and convert it into R&D. But one of the biggest challenges for San Francisco is San Francisco itself, and concerns about quality of life that led to not only complaints about price gouging by the hotels around JP Morgan [0:31:35 time?] but a lot of rumors.

When I was at JP Morgan in January that after 2024 that the conference may be headed for Florida. We'll see if that happens. But we do know that JP Morgan's only committed to San Francisco through this coming January. That's it. And that would be kind of a prestige blow to a region that has used JP Morgan to kind of help ensconce itself as a leader if not the leader in life sciences.

0:32:05 First in jobs, San Francisco Bay, and that helped them edge up to the top. Venture capital is still leading but second in lab space, however, fourth in NIH funding, and second in patents. So there's your sweep of the nation.

Rich Bendis: So you had some shifts, and they were basically by one place up or down in a couple of regions. But if you had to look at the biggest surprises to you in this ranking versus the prior year or prior years, what you'd classify as some of the bigger surprises for you, Alex?

Alex Philippidis: I can think of two. One is that San Francisco Bay did edge out Boston, Cambridge. It was getting closer and closer, so I shouldn't have been totally surprised really. And it was really close last year when Boston retained the top. But also seeing Los Angeles emerge, because if you go back to our earlier lists, going back about four or five years, Los Angeles would've been around eighth or ninth, again, fairly sort of like the bottom third of the list.

0:33:05 And to see them in the middle, solidly in the middle of the pack, to me, is—what it shows me is that there's been a lot of effort by stakeholders there to address chronic issues. One was the lack of capital, and that's why when you see Westlake Partners coming up with their third fund,

that's something you just wouldn't have heard about four or five years ago.

Also, the employers, I mean, Amgen was sort of the beginning and largely end of big employers in biopharma in LA, Orange County. That's changed, of course, because Kite's certainly big, and and there are other companies as well. Although what you see there is more small to middling companies because, again, as capital comes around, those companies still have to grow into bigger players.

0:33:57 So I'd be curious to see over time whether we'll see more activity and more attraction of bigger-name biopharma companies because, right now, if they want to be in California, they're more likely to be in San Francisco or San Diego, so those are the two. But also New York rising but plateauing, again, one challenge is lab space there. The majority of space, even to this day, is still in New Jersey. New York has tried to catch up a lot in recent years with numerous projects, a lot of them being conversions of older buildings, in some cases, new builds.

But I've been waiting to see whether those projects take off, and you have more of a critical mass. For years, the complaints within the region was, gee, we have all the pieces, but the whole is less than the sum of the parts kind of thinking. And part of that was because there wasn't a lot of support for the industry in government. And though you would think with all the venture capital and the financial markets being in New York, there'd be a lock on money, but that hasn't been the case.

0:35:05

Rich Bendis: And one of the things that's been obvious to me, Alex—and we're talking with Alex Philippidis, who's the Senior Business Editor for *Genetic Engineering & Biotechnology News*—in reviewing the results of the *2023 Top 10 Biopharma Cluster Rankings*, which just came out, what's obvious to me is that it takes a long time if you want to grow within this industry. And if you remember, you may not remember, but we set a goal to be a top three by 2023.

We set that goal in 2016, so that's seven to eight years ago. And basically in the earlier days, we were fifth or sixth, the BioHealth Capital Region. We weren't even the BioHealth Capital Region at the time. We were the 270 corridor, a five-mile strip. But basically, people have come to

recognize it's more than just a five-mile strip, just like it's not just a center of Cambridge for Boston or just a Silicon Valley for San Francisco.

0:35:58 But, for us, we were sort of stuck in fourth place for many, many years. And so one of the biggest surprises for me was that we actually were able to move up one place this year, Alex, and it was somewhat of a surprise when those rankings came out. It's a very pleasant surprise for us, but it does go to show that it really takes everybody collaborating, working together, because in this industry, without collaboration, you can't grow your business, you can't grow your region, you can't grow your cluster.

So that's one of the probably the most rewarding things that came out of your ranking for the BioHealth Capital Region this year is we actually achieved something that we set out to do seven to eight years ago, and used your rankings as a basis for how to judge ourself against other regions in the United States.

Alex Philippidis: Yeah. So I know we've been in touch going back at least to 2018, if not sooner. So, yeah, I think most of the familiarity with your region had been I-270, Montgomery County, Frederick, Gaithersburg.

0:37:04 And there has been a lot of biotech presence going back, gosh, to the '80s even in some of the historic companies.

Rich Bendis: Yeah, MedImmune and basically Human Genome Sciences, I mean, that's sort of how the region evolved. But Johns Hopkins has always been a pivotal key to this. But when I talk sometimes, Alex, and you probably maybe never heard me say this, but people in Baltimore and Montgomery County, it's like the longest 35 miles in the United States because they basically [laugh] sometimes wouldn't speak to one another. and they were in competition, or like D.C. and Baltimore are in competition.

But what we've found is getting people to understand that we can raise all the boats if we get people working together, and everybody benefits within a region. So we are very excited. And the other thing that we're excited about is that you're going to be appearing at our 9th Annual BioHealth Capital Region Forum again. This is the fourth or fifth appearance for you, Alex.

Alex Philippidis: Yeah, and in person again, so.

0:38:00

Rich Bendis: Yeah, in person. [laugh] We're going to have this thing as 100% in person, no virtual, and I love that you're going to be able to attend our VIP dinner, because I think people are going to like to get to meet you, and you've never had a chance to do that.

Alex Philippidis: Actually, the first year in 2019—

Rich Bendis: Oh, you did?

Alex Philippidis: —I did, and I met some people that I'm still in touch with, which is [0:38:20].

Rich Bendis: Oh really? That's great.

Alex Philippidis: Yeah. So what happened, that was '19, and then '20 and '21 were virtual years, so.

Rich Bendis: Right, and '22 was a hybrid year.

Alex Philippidis: It was. But also, in 2022, we had scheduled like the very next day, but we'll do it a week earlier this year, and I'll plug this for GEN, September 13th, GEN has a virtual conference for a chunk of the day called the State of Biotech. And it's a chance to hear some speakers, some panels, and several of our editors and reporters talk about life sci and, for the most part, where the science is. But we've also got the host of what is Biotech Hangout.

0:39:02 They're going to be discussing the business of biotech, and some recent developments, which I'm excited about too, because I'll be co-hosting that panel.

Rich Bendis: Well, that's great. Well, what we'll do is get our producer here, Andy Eckert, you give him the link to that meeting, we'll build it into the transcription of our *BioTalk* today and then, of course, it'll be there for everybody to see and actually connect with if they have an interest in attending your event.

Alex Philippidis: Okay. Sounds good.

Rich Bendis: Yeah. So is there anything that you wanted to discuss or that we forgot to talk about today, Alex, recognizing you're going to get a chance to

increase or add to what we've talked about today on September 19, because you'll be giving one of the keynotes at the 9th Annual BioHealth Capital Region Forum at US Pharmacopeia in Rockville on that day? Anything that you wanted to leave the listeners with?

0:39:54

Alex Philippidis: Well, I look forward to meeting you all again if you've been past attendees, or meeting you for the first time if you haven't. And I'll take a look with some updated examples of activity in the region, because I try to keep these as current as I can, and that should be a lot of fun. I look forward to it.

Rich Bendis: We look forward to seeing you again, Alex, and we want to thank you for actually doing this little preview, and actually laying out for everybody what the results of your *2023 Top 10 Biopharma Cluster Report* is, and anybody can see that in *Genetic Engineering & Biotechnology News*. You want to give people a website or a link to go to, to get that?

Alex Philippidis: That would be at www.genengnews.com, and I'll spell that: www-dot-G-E-N as in Nancy, E-N-G-N-E-W-S-dot com.

Rich Bendis: Thank you, Alex. We were glad to have Alex Philippidis, Senior Business Editor, *Genetic Engineering & Biotechnology News* on *BioTalk* again today, and we'll see you in about six weeks, Alex.

0:40:59

Alex Philippidis: Very good. See you as well, Rich. Thank you. Thank you for having me on.

Narrator: Thanks for listening to *BioTalk* with Rich Bendis.

End of recording