



Good morning.

Senator Claxton, Representative Zager, and esteemed members of the Advisory Panel, my name is Brian Whitney and I am the President of the Maine Technology Institute, our state's unique, public-private partnership that helps catalyze innovation in Maine.

Working with partners across the State, MTI focuses its efforts on helping to diversify and grow our economy within Maine's targeted technology sectors. Those sectors include Biotechnology, Composites & Advanced Materials, Environmental Technology, Forestry & Agriculture, Information Technology, Marine & Aquaculture, and Precision Manufacturing.

Since its creation in 1999, MTI has disbursed over \$300 million across more than 3,000 distinct projects and leveraged over \$1 billion in private sector matching funds. MTI remains the state's only source of private-sector-focused, R&D financing leading to new products and services, job creation and other economic benefits.

As I noted, Biotech is one of the seven targeted technology sectors in which we focus our attention. A recent report issued by the Bioscience Association of Maine demonstrated why a focus on this sector is warranted and strategic. The association's 2022 State of the Industry report revealed some wonderful sector-related data about the strengths of Maine's life sciences sector.

For example, you may or may not be aware that there are approximately 500 establishments engaged in the life sciences sector in Maine and those entities employ nearly 10,000 people. Some of the largest employers include: Idexx, Jackson Labs, Puritan Medical Products, Abbott Labs, Corning, and Covetrus. Many of these enterprises gained global recognition during the coronavirus pandemic and established Maine's life sciences sector as a key responder to the public health crisis.

Not coincidentally, the pandemic also contributed to dramatic job increases in the sector. Life science jobs in Maine grew by 42% over the last five years, outpacing total job growth in Maine.

Perhaps most surprisingly, given that Massachusetts is one of the pre-eminent hubs of life sciences activity, life science jobs in Maine grew at the fastest pace of ALL New England States over the past decade. And, average annual earnings for jobs in this sector in Maine were just under \$109,000.

Maine has also been able to attract interest from federal research granting institutions, as well as private equity investors. Over the past five years, Maine has secured more than \$14 million

in awards from the National Science Foundation (NSF) with our state's R1 top tier research university, the University of Maine, leading the way. The National Institutes of Health (NIH) has directed more than half a billion in funding to Maine during that same period, with 70% of that funding going to research efforts at the Jackson Laboratory. And, finally, Maine's life sciences companies raised nearly \$267 million from 2017 – 2021 with much of that going to MTI portfolio companies like Covetrus and RockStep Solutions.

While overall the data was incredibly impressive, it also revealed areas for improvement in several spheres including the number of life sciences patents developed in Maine and our level of spending on higher education research & development (Maine ranks last in both compared to our New England counterparts).

Back in 2019, I was honored to participate in the development of Maine's [ten-year economic development strategy](#). It rightly focused on talent and innovation as helping to move the needle in our economy. That plan included three main goals, including raising the average annual wage by 10%, increasing the value of what we sell per worker by 10%, and attracting 75,000 people to Maine's talent pool.

It emphasized that Maine ought to continue to invest in research and development to support innovation in the private and nonprofit sectors.

It also noted that Maine ought to utilize its strengths and abundant natural resources to grow and diversify its economy by developing new and innovative ways to leverage those resources. Without question, Maine's life sciences sector can and will help Maine achieve these attainable goals through continued innovation and sustained growth.

MTI's role is to encourage a more vibrant biotech sector by utilizing our state appropriation and occasional bond funds, as well as sporadic federal funding, to fund development projects in both the public and private sectors. We have been able to offer grants, loans and equity investments to nascent biotech startups, have helped fund shared-use life sciences equipment and infrastructure at our university and at co-working spaces and incubators in different parts of Maine, and have assisted in the growth of our world-renowned research organizations like the Jackson Laboratory, Mount Desert Island Biological Labs, Bigelow Laboratory, and the Maine Medical Center Research Institute.

I also want to note that recently, MTI, in partnership with the Maine Department of Economic & Community Development, issued a request for proposals to help enable the establishment of a private sector led life sciences laboratory and incubator, where biotechnology and life sciences entrepreneurs could gain access to shared lab spaces and office infrastructure to help them start and scale their enterprises.

I am pleased to report that we have made a conditional \$750,000 award to a Cambridge-based life sciences firm, specializing in genetics and genomics, that will offer companies a turnkey lab space and office space, and provides all the overhead services needed (bio-hazard waste removal,

meeting rooms, office support and amenities) as well as a very impressive list of laboratory equipment that is shared among the tenants. They expect to reach out to Maine colleges and universities to find interns and share lab space and equipment when needed. This is a potential huge development for the life sciences sector in Maine and MTI was thrilled to play a small role.

Overall, MTI's programs help innovators accelerate progress to the market, leverage additional private and public investment, and ultimately, expand their economic impact in Maine.

In addition to funding, MTI also offers other forms of support and assistance. We provide free technical assistance to Maine organizations interested in seeking a share of the \$3.7 billion that the federal government makes available each year through its Small Business Innovation Research program. As you can imagine, the federal application process can be challenging so MTI deploys experts, at no-cost to the Maine applicants, so they can submit more competitive proposals.

We have an entrepreneur-in-residence program where we have a cadre of seasoned entrepreneurs and former executives that we deploy to our portfolio companies to help them overcome challenges and seize upon opportunities. Again, this is a free service.

We recently launched the Maine Entrepreneurial Resource Corps where we help provide matchmaking for small businesses seeking vetted consultants for specific short-period, high-impact projects, and MTI picks up half the cost.

We also encourage and promote interest in the sector through event sponsorships of things like the annual Maine Biological and Medical Sciences Symposium (MBMSS) - - a state-wide gathering of scientists and students from all across the state of Maine; UMaine's Annual Student Symposium, a joint undergraduate and graduate student event; the Maine Science Festival, the Bioscience Association of Maine, the TechStars and Founder Residency at the Roux Institute, and assorted business accelerators and pitch competitions.

Without question, Maine has a strong and growing life sciences sector that will help us tackle and overcome challenges to human health, our environment, and our natural resource-based industries now and in the future.

Thank you for your time and consideration. I am happy to address any questions you may have.