

#### 4. THE NEW YORK STATE BIOTECHNOLOGY MARKET

New York State is an important center for the growing biotechnology industry in the United States, ranking third behind California (particularly the San Diego and San Francisco areas) and Massachusetts (especially the Boston area). According to Jack Huttner, executive director of the New York Biotechnology Association, Inc. (NYBA) the biotech industry employs about 6,000 people in the Empire State, accounting for 10 per cent of the national total.

Although New York is important to biotechnology, the field's manufacturing and R & D aspects are not very important factors in New York State's overall economy in terms of employment, payroll, or product shipments. On the other hand, biotechnology corporate finance is important to the state, because trading in biotech company stocks and bonds takes place on Wall Street exchanges and New York City-based stockbrokers make a lot of money on the turnover.

Interestingly, none of the top 20 independent, publicly-traded, biotechnology firms listed in the table on the previous page is headquartered in New York State. However, some important privately-held biotech companies are headquartered here. In addition, some other large, publicly-held, New York-headquartered firms such as Corning, Eastman Kodak, Pall Corporation and Pfizer, as well as New Jersey-based Cyanamid and several important foreign-owned firms, have major biotechnology interests here. They are not included in the top-20 list because their product diversification doesn't permit them to be classified as biotechnology firms in the financial world.

Not surprisingly, the biotech industry has a close working relationship with academia, primarily molecular biology (as opposed to medicine, per se). The key academic centers for biotechnology in New York State are The Center for Biotechnology at the State University of New York at Stony Brook on Long Island and the Biotechnology Program at Cornell University in Ithaca. See Section 5.3.

NYBA had 116 members as of January 25th, 1993, including a number of law and accounting firms, miscellaneous vendors, and some university components, in addition to the biotechnology firms themselves. The organization appears to have a diversified program that assists in market development and in legislative lobbying. It has had programs aimed at development of strategic alliances with Ontario concerns that, according to Huttner, have been only modestly successful.

A detailed directory of NYBA membership is available only to those who belong to the group. Dues range from \$250 to \$2,500, depending on firm size and scope. Contact: New York Biotechnology Association, Inc. One Penn Plaza, Suite 100, New York, NY 10119. TEL: 212-695-4077.

New York's biotechnology companies are located primarily downstate, with pockets in upstate centers including Ithaca, Rochester and Buffalo and a few hidden away in the Adirondacks.