

2. PROJECT METHODOLOGY

JGCO conducted this study in three phases. First we conducted a literature search. After reviewing the files on biotechnology and data sheets on New York State biotechnology companies available at office of the General Consul, we reviewed materials at the Lockwood Library at the State University of New York at Buffalo (SUNYAB). This permitted us to determine the scope and breadth of the market in the U.S. as a whole, and in New York State in particular. Because of the extensive written materials available on biotechnology from a financial standpoint, and because of the limitation of our study interest in New York State companies, we did not undertake a computerized literature search. We felt that such a search might inundate us with data that would be meaningless from a strategic-alliance-development standpoint.

The second phase of the project consisted of contact with experts in the field in order to better determine the importance of New York State in the national biotech marketplace. The list of project contacts appears as Appendix A.

The third phase of the project involved two mail surveys. One was done to obtain annual reports and other financial information from publicly-held companies with operations in New York State (whether or not they are headquartered here). The other was done to obtain an indication from all New York State biotech companies of their interest in engaging in potential strategic alliances with Canadian companies.

The annual report request was sent out on John Gartner's personal letterhead to the corporate secretaries of 21 corporations. By the cutoff date of March 5th, financial data consisting of annual reports and/or Forms 10-K and quarterly data was received from 14 or 67 percent of them. Three replied that they were not publicly held firms.

A questionnaire was developed with the Consulate's approval and mailed out on JGCO letterhead on February 4th, 1993 to 58 identified biotech firms in New York State. The questionnaire identified the purpose of the study on behalf of the Canadian Government. A stamped reply envelope to JGCO and a "Buffalo Chicken Wing" recipe card were included as an inducement to reply. Two weeks later, a follow-up questionnaire was mailed that was identical, except it was on General Consulate stationery. Another stamped reply envelope to JGCO was included, but no recipe card. The list of firms contacted appears as Appendix B. The questionnaire appears as Appendix C.

By the cutoff date on March 5th, replies were received from 18 organizations, indicating a gross response rate of 31 percent, about average for this type of effort. Information on the 11 firms interested in a potential strategic alliance with a Canadian company are detailed in Section 5.2. Data on the two university center respondents are in Section 5.3. Data on the two respondents not interested in a strategic alliance are in Section 5.4.