



# Oregon Bioscience Association

CREATING OPPORTUNITY THROUGH  
COMMUNITY | COLLABORATION | COMMERCIALIZATION

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## **OREGON'S BIOSCIENCE INDUSTRY PROVIDES FAR GREATER ECONOMIC BOOST THAN PREVIOUSLY ESTIMATED**

*A new economic impact study shows biotechnology, life sciences and medical research contribute billions of dollars in direct revenue to Oregon's economy, and local biotech workers earn higher wages. The study can be viewed at [www.oregonbio.org](http://www.oregonbio.org).*

(Portland, Ore.) - Despite Oregon's recessionary slump, the brightest news is the previously underestimated economic impact of Oregon's bioscience industry. Released today, the industry's first comprehensive economic analysis shows the sector contributed nearly \$3.5 billion in direct revenue, more than 13,630 jobs and \$800 million in biotech workers' personal income to the state economy in 2007. This is three times greater than the economic impact of the local wine industry, two times greater the number of jobs of the agriculture and forestry support industry, and a top 25% ranking in industry-based, average wages, in 2007.

The comprehensive analysis, conducted by ECONorthwest, shows those employed in the bioscience sector fared substantially better in take-home pay than other workers in Oregon. The average annual wage for an Oregon worker in the bioscience sector was just under \$55,000 in 2007, compared to the average annual wage for all covered employees in Oregon in 2007, at \$39,564. The bioscience worker's pay exceeds his/her counterpart by a differential of 39 percent. In 2002, the state's figures showed the average yearly wage for a bioscience worker at \$42,520, compared to the average wage for all covered employees in Oregon in 2002, at \$33,685; a differential of 26 percent.

Additionally, the bioscience industry generated approximately \$250.5 million in state and local tax revenues. Secondary economic impacts also increased through wholesale trade, purchased goods and services, household consumption, and support of other business sectors and are associated with a job multiplier of 2.7. Combining direct and secondary impacts, the bioscience industry provided \$6.2 billion in economic activity, 37,040 jobs and \$1.7 billion in personal income to Oregon.

"With its continued and anticipated growth curve in Oregon, the data show that biotech is likely to beat the current recessionary trends," says Nathan Gibson, vice president of business development for Skanska and chair of the board for the Oregon Bioscience Association. "The significant multiplier effect illustrates the true impact of the growing cluster in this state, and now we know its impacts are profoundly more extensive than many knew."

The study, commissioned by the Oregon Bioscience Association and conducted by ECONorthwest, reveals:

- Oregon employment and payroll data, called ES202, and the federal NAICS code classifications show the bioscience cluster is a broad, multi-sector industry drawing from private industry, public institutions and academia.
- Output continues strong growth prospects with the subsector of medical devices and equipment manufacturing as the biggest and growing portion of the cluster. In addition to devices, the

other subsectors comprise research, testing and medical laboratories; drugs and pharmaceuticals; and bio-agricultural feedstocks and chemicals.

- 615 establishments, or bioscience-related companies, labs and institutions are in existence, which is about three times more than the number previously counted.
- National Institutes of Health funding for Oregon's biosciences increased 18.7 percent since 2001 and totaled \$277 million in fiscal year 2007.

"With the industry's economic expansion, job growth, and accompanying wage increases, it's clear the industry is poised to lead the way in countering the recessionary cycle," notes Robert Lanier, executive director of the Oregon Bioscience Association. "We continue to embrace the opportunity for more growth in the number of companies and related employment opportunities through the industry's increasing attractiveness to out-of-state bioscience companies."

According to a cluster report, *Oregon Bioscience Industry Segmentation and Cluster Analysis*, commissioned by the Oregon Bioscience Association in 2007, Oregon was home to bioscience and related companies in five key subclusters. Their approximate percent of companies in each subcluster are medical devices (39%); pharmaceuticals and diagnostics (23%); reagents, services and equipment (20%); software (8%), health care (5%) and agriculture (4%).

The Oregon Bioscience Association's economic impact study, *The Dimensions and Contributions of the Bioscience Industry in Oregon*, was sponsored by the Oregon University System, Genentech and Carbon Design. A complete copy of the study can be found at [www.oregonbio.org](http://www.oregonbio.org).

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#### **About the Oregon Bioscience Association**

*The Oregon Bioscience Association advocates for its members and the industry to create opportunity through community, collaboration and commercialization. OBA promotes the growth and quality of the bioscience industry in Oregon and continually seeks ways to support sustainability and growth in the life science, bioscience, biotechnology and device manufacturing industries and to create acceleration initiatives so members can achieve their full scientific, economic and social potential. OBA, a nonprofit membership association, is the Oregon affiliate of the Biotechnology Industry Organization.*

*Oregon has 615 bioscience establishments and 13 life science research institutions generating a cumulative \$6.2 billion in economic activity, 37,040 jobs, \$1.7 billion in personal income and \$250.5 million in local and state tax revenues. More about the Oregon Bioscience Association can be found at [www.oregonbio.org](http://www.oregonbio.org).*