

# 2009 Bioscience Marketing Report

Report to the Legislature  
as required by 2007 Legislative Session (Chapter 135, H.F. 122, Section 3, Subd. 2)

January 30, 2010  
Author: Kevin McKinnon  
Minnesota Department of Employment and Economic Development

Total cost of salaries, printing, and supplies in  
developing/preparing this report is \$1,015.00  
(reported as required by Minn. Stat. 3.197)

## 2009 Bioscience Marketing Program Report

Collaboration with business, educational and community economic development partners is key to DEED's Bioscience Marketing Program, and we strive to leverage all resources at every opportunity.

### ***DEED PARTNERS***

DEED has coordinated bioscience marketing efforts for several years, collaborating with a wide range of groups to promote the strengths of Minnesota to national and international audiences. The group includes organizations like the following:

- University of Minnesota
- Mayo Clinic
- MNSCU
- Association of University Research Parks
- BioBusiness Alliance of MN
- Life Science Alley
- Regional Initiative Foundations
- Economic development groups from Greater Minnesota
- Fargo/Moorhead Economic Development Corporation
- Greater Mankato Growth
- MinnWest Technology Campus
- Rochester Area Economic Development
- St. Cloud Area Partnership
- Worthington Regional Economic Development Corporation

The Positively Minnesota Marketing Partnership is also invited to participate in any and all of our efforts. Many of the organizations named above are members.

In addition, DEED has a close working relationship with the BioBusiness Alliance who analyzed and articulated our State's competitive strengths in a series of landmark reports "Destination 2025." We work in partnership to identify prospects that fit into these strategic areas as our marketing continues to build on Minnesota's strengths. The Report calls attention to several successful examples.

The private sector has also been a critical part of this partnership. We are fortunate to have leaders like Prairie Holdings in Worthington, DCI in St. Cloud who sells to the bio-pharma industry worldwide, Willmar's Technology Campus, Tower Investments in Pine Island and projects with Burrill & Co.

With the marketing funds, 25 organizations were showcased as Minnesota's "culture of innovation" at BIO International – from 3M to small innovators like Immunochemistry who has developed a specialty market niche, start-ups like Exsulim with breakthrough diabetes technology and world-renowned experts on board, and BIO regulars at the Minnesota booth like Integra and Upsher Smith who bring new business deals into our State.

# 2009 Bioscience Marketing Program Report

## ***MARKETING OUTCOMES***

The marketing program has maintained its focus on heightening awareness of Minnesota's bioscience capabilities and any opportunities that emphasize Greater Minnesota. The strategy is directed at reaching decision-makers through personal contact, with cost-effective proven methods that enhance Minnesota's visibility. This is important as Minnesota's financial incentives are not competitive, according to site selectors; and incentive programs cannot be used as a sales tool when they lack funding. In any marketing program, results are rarely immediate and competition is ongoing. However, our sustained efforts are beginning to show results as highlighted below.

The marketing program strategy focuses on three initiatives:

### **1. Identify and Meet with Targeted Qualified Prospects**

Our campaign to identify qualified prospects and meet with decision makers is focused strategically on providing an unmatched level of customer service. The funds have allowed us to raise Minnesota's profile to decision makers in these competitive challenging times. From our robust and collaborative efforts in 2009, several notable prospective candidates emerged:

- **US Prospects** – Michigan, Wisconsin and New Mexico companies are among those in play to locate here. The New Mexico venture is close to a decision to select Rochester for its expansion site. On a smaller scale, but underscoring our message about the quality of Minnesota's workforce, the Wisconsin firm which has a promising technology has already hired one U of M graduate and is now recruiting a second as it forges a partnership with a well known Minnesota company directly as a result of a DEED introduction. A Florida firm has finalized its decision to expand its subsidiary in Minnesota rather than relocate to Tampa. The job creation in the first two years is expected to be 25-40 jobs; the 5-year potential is estimated at well over 100 new hires.

Several of the introductory meetings that were critical in swaying decision makers in favor of Minnesota took place at the BIO International convention. Marketing funds to attend the BIO show made all the difference in these cases.

- **International Prospects** – A Manitoba biotech is looking at the northwest corner of our State and several more are exploring relationships as we redouble our efforts in view of a Manitoba-Wisconsin MOU signed in 2009. The annual BIO shows provide a critical venue and a cost-effective means for moving forward on multiple fronts with our Manitoba counterparts. A Quebec firm established an office here in 2009, drawn by Minnesota's heightened reputation in its field. This relationship began at a BIO show as well. We are also making inroads with a leading Toronto group. An Asian manufacturer who contracted with a Minnesota med-tech company through a BioBusiness Alliance collaboration and the MD&M Show (see below) is inquiring about what it takes to set up a local presence.

## 2009 Bioscience Marketing Program Report

### 2. Raise Minnesota's Profile at Events and Optimize Outcomes

The program funds have allowed participation in select national events, important in marketing Minnesota because these also offer the opportunity to meet with many decision makers in a cost effective way, keep our pulse on the market, and encourage and support our Minnesota communities and partners. The enhanced visibility for Minnesota in turn has brought new leads and opportunities.

- **BIO International** is the premier trade show for the bio industry: Minnesota's 2009 pavilion provided the State's key institutions, emerging companies and communities a turnkey service to present their strengths to an audience of 14,000 from 70 countries. Bioscience opportunities from Elk Run, Moorhead, Rochester, St. Cloud, Willmar, and Worthington were represented. An upgraded pavilion featured the Mayo Clinic Theatre which brought attention to prominent Minnesota researchers' presentations. This enhanced exposure benefited speakers and fellow Minnesota exhibitors alike and generated new contacts.

Funds have also been used as an incentive for select emerging companies to join the Minnesota pavilion as a tool to recruit/retain in Minnesota and tie them more closely to the State, with successful outcomes in 3 out of 3 cases to date. The newest funding initiative is a pilot project at BIO International to "turbo charge" the opportunity to develop new prospects, both for our partners and for the State.

- **Medical Device & Manufacturing Show:** The fund allowed us to maintain the size of the State booth at the regional Medical Device & Manufacturers (MD&M) show in 2009. This not only supported communities and institutions in their outreach efforts to the industry, but also served a delegation of 40 from the Osaka Chamber of Commerce in a collaborative effort with the BioBusiness Alliance of Minnesota. Return visits in February 2010 to discuss concrete projects are already underway as a result of talks initiated at MD&M
- **Life Science Alley Conference** sponsorship and booth commitments were realigned to better maximize and leverage funds. This allowed us to expand the participation by the communities and gave them exposure as they faced the challenging budgets of 2009. It also enabled us to be fully proactive with the Manitoba delegation which had more than doubled partly in response to our outreach since BIO 2009.

## 2009 Bioscience Marketing Program Report

### 3. Enhance Collateral Materials for Lasting Impact

A portion of the funds has been directed to targeted, proven channels of advertising and marketing.

- **The Minnesota Bioscience Directory** is by far the most requested and widely disseminated piece, published by Twin Cities Business who is another key collaborator. In 2009, funds were used for a well placed advertisement that enhances Minnesota's visibility and helped ensure the publication itself. The negotiated fee included listing in a valuable online directory. Unlike magazine ads, this directory has a shelf life of a year and is an indispensable resource which we distribute worldwide, to well over 1000 qualified recipients each year. The directory is attached with the hard copy version of this Report. Or refer to the website: <http://www.tcbmag.com/factfinder/biosciences>
- **Bio Fact Sheets:** Funds were used to upgrade and reprint the four bio sector fact sheets in time for BIO 2009 to incorporate testimonials, web sites, and more of the State's research capabilities, and to promote a unified Positively Minnesota brand. By removing time-sensitive elements, these can now be used widely in all sales efforts with prospective top decision makers. Attached are sample Fact Sheets.

As a result of the bioscience marketing funds, strategic marketing efforts were implemented in a targeted way that enabled DEED to reach multiple audiences and capitalize on Minnesota's strengths.