

EXECUTIVE DECISION

Bioscience leaders expound on the value of Colorado.

WRITTEN BY TOM BORAK

WORD IS SPREADING ABOUT THE INCREDIBLY FERTILE business environment that Colorado offers. At the center of this conversation, a burgeoning life science industry has emerged to challenge the coastal hotbeds that have long claimed credit for driving the future of medicine.

Colorado now boasts the sixth-largest medical device sector in the United States, including companies like Surefire Medical and Bio2 Medical. Recent investments from international powerhouses like Agilent Technologies and AstraZeneca have joined smaller companies like Brickell Biotech and local mainstays like Silvergate Pharmaceuticals to spur renewed faith in the pharmaceutical side as well. The growth of this cluster is enhanced even further by the emergence of a strong digital health sector, which has the potential to revolutionize the way we integrate medical discoveries with informed patient and provider relationships, creating a new channel for the advancement of precision medicine and the utilization of big data.

Despite this incredible, organic growth, many still wonder, why Colorado?

“We know that how we work matters just as much as what we work on. That’s why the Denver Metro Chamber Leadership Foundation looked to identify those values for doing business that set us apart,” Denver Metro Chamber of Commerce President and CEO Kelly Brough says. “What they found after talking to hundreds of business and community leaders were values of inclusivity, collaboration, shared

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vision, leadership and responsibility. These are the values that make up what we call Colorado’s Civic DNA™. These values reflect who we are and how we aspire to lead, so when

people ask, ‘Why Colorado?’ it’s because we’re committed to living these values every day.”

Perhaps the best people to answer this question, however, are the ones who have built their companies here, relocated to our state from elsewhere in the country or reallocated assets to expand their domestic footprint in our backyard.

We gathered seven executives from across the industry spectrum to talk about the value that Colorado brings to their institutions, how the state has transitioned into a full-time home base for those who would have previously sought to hang their hats elsewhere, and how this civic DNA has influenced company expansions and relocations alike.

The group is meeting in Denver, appropriately, at the Denver Metro Chamber of Commerce and Metro Denver Economic Development Corporation. True to the nature of Denver’s laid-back professional atmosphere, the attire is a mix of suits and ties, business casual slacks, button-down shirts

Christopher Banas
CEO of Bio2 Medical
The company relocated from Texas to Golden, Colo., where it has recently received FDA approval for its Angel Catheter device.



Joe Guiles, Ph.D.
Director of Development at Agilent Technology’s facility in Boulder
Agilent recently purchased 20 acres in Weld County, where it plans to expand its capabilities and will build a new 130,000-square-foot manufacturing facility, adding 150 to 200 new jobs.



Chris McDonald
Vice President of Operations at AstraZeneca’s Longmont facility. AstraZeneca acquired Amgen’s former 300,000 square foot manufacturing facility in Boulder, and the 692,000 square-foot facility in Longmont, where it will manufacture products from its biologics line.

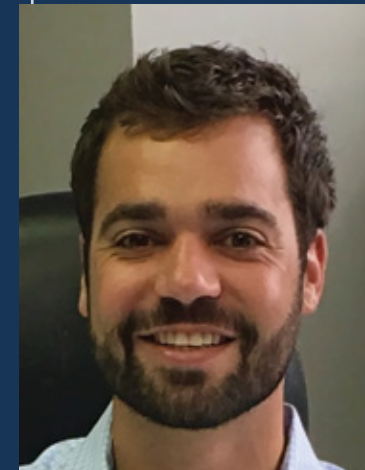


Frank Segrave
President and CEO of Silvergate Pharmaceuticals
A long-time Colorado resident, Silvergate has received three FDA approvals in the past year with more in the pipeline.



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Andy Sklawer
COO and co-founder of Brickell Biotech, Inc.
The clinical-stage, dermatology-focused pharmaceutical company relocated its headquarters from Miami to Boulder – a central location with easy access for its remote team.



Mehmet Kazgan
CEO and co-founder of Cliexa
The digital health start-up is working with major healthcare systems to help patients and physicians connect in real time.



Jim Chomas
CEO of Surefire Medical
Surefire recently received FDA approval of its Surefire Precision Infusion System, which provides a delivery system for targeted cancer therapy.





TOP 5 REASONS TO WORK IN COLORADO

1

SENSE OF COMMUNITY

2

TALENTED WORKFORCE

3

GROWING ECONOMY

4

TAX INCENTIVES

5

GRANT AWARDS

and jeans. There is no pretense here – every one of these representatives has the respect of the others in the room. After introductions and handshakes, the group dives in to discuss their reasons for setting up shop in the Centennial State.

“Agilent Technologies invested in Colorado 10 years ago and purchased a small, early-stage clinical manufacturing facility and just this year announced our major expansion,” Joe Guiles, director of development at Agilent’s Boulder facility says. “We chose to expand here in large part due to the density of talent that we believe can bring our technology forward.”

Chris McDonald, vice president of operations at AstraZeneca’s Longmont facility agrees. “AstraZeneca needed more capacity as a company manufacturing biologics,” he says. “I think the infrastructure that Colorado had to offer played a key role, not only from a facilities perspective, but also from a talent perspective. There is a lot of biotech manufacturing talent in Colorado, and being able to draw upon that talent really provided a strategic advantage in allowing us to move quickly in developing our manufacturing capacity.”

It is immediately apparent that access to Colorado’s rich talent pool was a strong draw for everyone around the table – not only regarding existing professionals with industry experience, but also the talent graduating from the bioscience programs in the state.

“We wanted to move to Colorado because of the talent coming out of Colorado School of Mines, CU Boulder and the Anschutz Medical Center,” Christopher Banas, CEO of Bio2 Medical says,

In North Carolina, your friend might ask you to go grab wings and a beer, but in Colorado that friend will ask you to climb a mountain and then grab wings and a beer!

– CHRIS MCDONALD

“but the other element that really contributed to our decision is the dedication of this workforce. They went to school in Colorado and have made the decision to make their careers here.”

“Much of the future talent in bioengineering, biochemistry, biomaterials and clinical affairs begins in the leading educational institutions,” Jim Chomas, CEO of Surefire Medical adds. “[The universities] also provide invaluable clinical relationships with their leading physicians and facilities, including animal testing that new products undergo, participation in clinical trials and feedback on needed improvements in products still undergoing development.”

Mehmet Kazgan, CEO and co-founder of Cliexa concludes, “The schools are actually the number one thing for [Cliexa] because of the talent and diversity. Students come from different states to be in Colorado because they want to ski or experience the outdoors. That attracts a lot of people – with lots of energy! They have a lot of great ideas.”

As Kazgan alludes to, Colorado offers significant advantages when it comes to recruiting top talent. With more than 300 days of sunshine each year and a Rocky Mountain backdrop begging to be explored, Colorado offers a veritable wonderland for outdoor enthusiasts and gives credence to the “work hard, play hard” motto of the state. Many college students who study here, as well as those who move to the state looking for work, consider it to be a terminal location and plan on becoming permanent residents.

“Colorado has an unsurpassed quality of life,” Frank Segrave, CEO of Silvergate Pharmaceuticals boasts. “Clearly it’s where I want to live!”

McDonald nods in agreement. “It’s kind of a special place,” he says, “to me, the strength of Colorado is the fantastic quality of life. I think that shows in the culture of the people you’re working with. In North Carolina, (where McDonald is from) your friend might ask you to go grab some wings and a beer, but in Colorado that friend will ask you to climb a mountain or go skiing and then grab some wings and a beer!”

Andy Sklawer’s eyes light up at the mention of culture. “A big element for building a company, in my mind, is culture,” the COO and co-founder of Brickell Biotech says. “Colorado is a condu-

cive place for not having the ‘nine-to-five’ mentality. It’s really forward-thinking and I do think it’s a draw.”

“It definitely hits all the checkboxes,” Banas concludes. “When I recruit professionals in Colorado, they are highly educated. They want to raise a family in this state where the school systems are good. They find a sense of community, as well as intellectual stimulation, and the best in recreational opportunities – it’s all here.”

Of course, beyond the allure of the Colorado lifestyle, the bottom line for any company is business. A central geographic location, economic incentives from the state and local municipalities

and a collaborative mindset are strong pillars for Colorado’s economy, ranked as one of the top places in the country to start a business.

“Colorado definitely has a favorable business climate,” Segrave says. “It’s got a vibrant and growing local economy, companies are willing to help one another and the tax climate is an advantage.”

Both Guiles and McDonald nod in agreement at Segrave’s mention of the tax incentives offered by the state.

“If you’re looking at a site selection that’s going to create a lot of jobs, it becomes a very competitive process,” McDonald says. “Companies are looking for ways to reduce their overall investment, so the tax incentives were one aspect that helped make AstraZeneca’s choice of Colorado much easier.”

“It was between Texas and Colorado for us,” Guiles reveals. “Colorado was able to be competitive on the tax incentive side to the point where we realized that the talent expenditure to build our workforce in Texas was not going to be made up for by their tax incentive. Colorado is definitely serious about growth in the state. It was very helpful. It was also Weld County,” he adds, “which worked with us very constructively, and the town of Frederick (where Agilent’s new facility will be built).”

Sklawer takes a different track and offers a unique perspective on an oft-overlooked aspect of Colorado’s business appeal: Brickell Biotech considers itself to be a “semi-virtual company,” so while its physical headquarters is in Boulder, the company has employees located across the country. “We now have a central hub for our company,” he says. “Members of our team are here almost every other week, whereas in Miami, it became exceedingly challenging to have the team, particularly those individuals on the West Coast, all in one place. By having this central hub, we can recruit both locally and across the U.S. and it’s easy for us to conduct frequent domestic and international business travel.”

Following Sklawer’s lead, Banas shares another insight: “I think Colorado has an advantage over a lot of other places because you have companies that aren’t necessarily in the healthcare business, but they’re in the semi-conductor business, so they know how to build clean rooms. I’ve seen a lot of other geographical areas that don’t have that and it is a challenge.”

Another notable highlight for the smaller companies is the Advanced Industries Accelerator Grant Program – a matching grant program awarded by the state with \$5.5 million dedicated to bioscience annually.

“It’s really great what’s being done with the grant program,” Kazgan says. “It’s an excellent initiative for companies to get started.”

Chomas agrees. “[Surefire has] not only been funded by the AI Grant Program, but we recently received an important grant from the state of Colorado for an early clinical trial in the developing field of immunotherapy, set to begin this summer at the University of Colorado Denver on the Anschutz Medical Campus.”

It is abundantly clear from this conversation that the pieces are aligning for Colorado to ascend into the top tier of heavy hitters in the bioscience industry. From our highly-educated workforce, to an unparalleled quality of life and state tax incentives and grant programs, Colorado is living up to its billing as having the third-best economic climate in the country. The state’s civic DNA has created a steady direction and shared vision for the future.

As Kazgan notes, “People here come from different countries and cultures, but the community is so open-minded and inclusive. It doesn’t matter where you’re coming from – which state or country – you just become a part of the community really fast.”

Frank Segrave summed it up best when asked what advice he would give to a CEO or entrepreneur who is considering starting or relocating a business to the state: “Do it now,” he says. “It’s the best decision you will ever make.”



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