



Overview

Colorado BioScience Association's (CBSA) Policy + Advocacy team works year-round to engage state and federal policymakers on issues that are critical to our members and Colorado's life sciences ecosystem. CBSA recently conducted a survey to better understand the needs and priorities of our community. The results of the survey will help inform the association's advocacy efforts this year.

Goals of the Survey:

- **COVID-19** - Collect updated information about Colorado life sciences companies that are developing and/or delivering COVID-19 solutions;
- **PPP Loans** - Learn how many Colorado life sciences companies have pursued (and received) Paycheck Protection Program (PPP) loans and what obstacles companies continue to face in accessing small business relief;
- **Federal R&D Funding** - Solicit information about the specific federal research and development (R&D) funding opportunities Colorado life sciences companies have pursued in the past year and details about their experience with the funding agency or office;
- **State Tax Credits** - Gather feedback about current state tax credits and exemptions to better understand which programs are the most valuable to Colorado's life sciences ecosystem.

Methodology

CBSA surveyed 88 people from Colorado's life sciences ecosystem between January 27 – February 3, 2021.

Key Takeaways

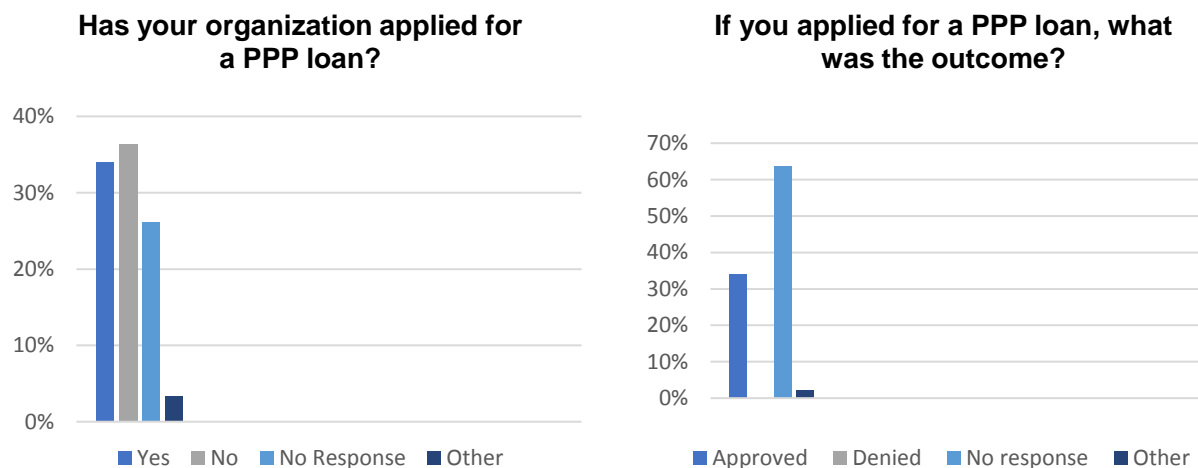
1. **COVID-19** - Many Colorado life sciences companies are contributing to the global fight against COVID-19. In fact, one third of survey respondents are researching, developing, or delivering a COVID-19 diagnostic, therapy, vaccine, or technology.
2. **PPP Loans** - There is a strong need for relief programs that support pre-revenue life sciences companies in Colorado.
3. **Federal R&D Funding** - During the last year, many Colorado life sciences companies applied for federal funding to support the R&D of health innovations to combat COVID-19 and other life-threatening and debilitating diseases. Nearly 25% of the companies that pursued federal funding were awarded a contract.
4. **Federal R&D Funding** - Colorado life sciences companies reported varied experiences pursuing federal grant dollars through different agencies, but certain trends emerged about the level of satisfaction with sponsor-agency interactions.

- State Tax Credits** - Colorado life sciences companies find the most value in the state's Advanced Industries Investment Tax Credit. Other tax credits and exemptions that are valued by our community include the Enterprise Zone Investment Tax Credit and the state's net operating loss deduction.

Survey Insights

Colorado Life Sciences Companies + PPP Loans

Over the past year, CBSA has advocated for small business loans and relief programs that support our life sciences community. The PPP has provided critical support to many Colorado life sciences companies, but there continues to be a strong need for additional programs that provide relief for pre-revenue companies.



34% of the survey respondents pursued *and received* a PPP loan, but only 15% of survey respondents plan to apply for a second-round loan.

When asked about the biggest obstacle companies face in accessing PPP loans, 28% said eligibility criteria. Specifically, they reported that **they do not qualify for a second-round PPP loan because they are pre-revenue.**

Colorado Life Sciences Companies + Federal R&D Funding

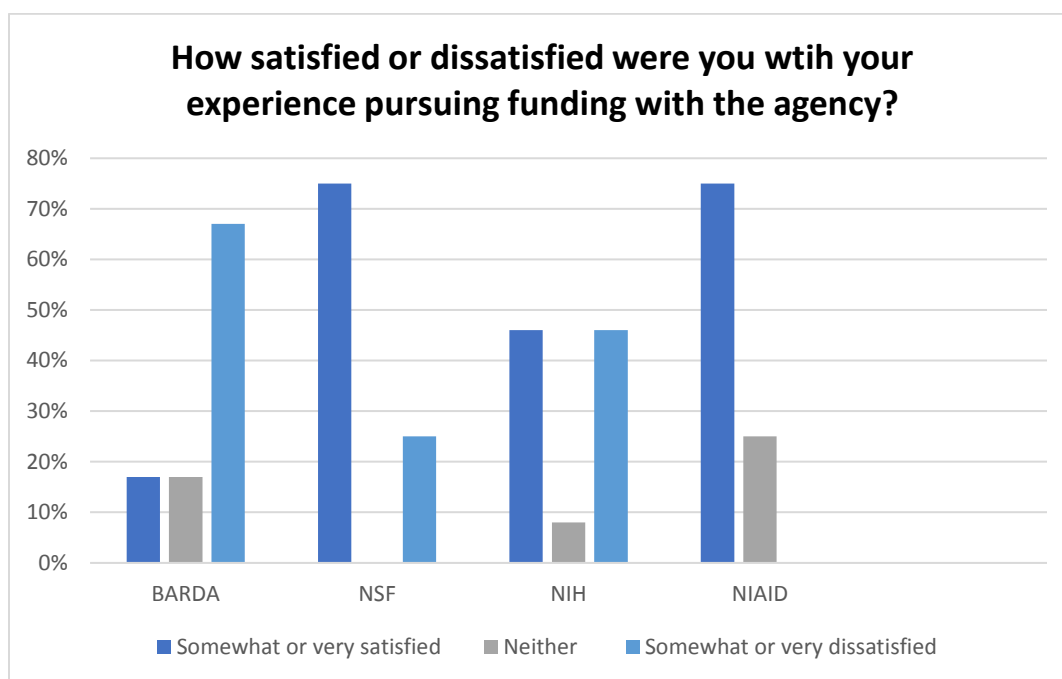
CBSA advocates for federal R&D funding that fuels life sciences investment and innovation in Colorado. During the last year, many Colorado life sciences companies applied for federal funding to support the research and development of health innovations to combat COVID-19 and other life-threatening and debilitating diseases.

25% of the survey respondents have pursued federal R&D funding opportunities in the past year, and of those companies, 22% were awarded a contract.

Of the companies that pursued federal funding opportunities in the past year:

- 22% applied for funding through the Biomedical Advanced Research and Development Authority (BARDA);
- 35% applied for funding through the National Science Foundation (NSF); and
- More than 50% applied for funding from the National Institutes of Health (NIH)

While companies reported varied experiences pursuing federal grant dollars through different agencies, certain trends emerged about the level of satisfaction with sponsor-agency interactions.



- **67% of the respondents** who pursued **BARDA funding** said they were **somewhat or very dissatisfied** with their experience.
- **75% of the respondents** who pursued **NSF funding** said they were **very satisfied** with their experience.
- 46% of respondents who pursued NIH funding said they were very satisfied or somewhat satisfied with their experience, and 46% of respondents who pursued NIH funding said they were somewhat dissatisfied or very dissatisfied with their experience.
- **75% of the respondents** who pursued National Institute of Allergy and Infectious Diseases (**NIAID**) funding said they were **very satisfied** with their experience.

Colorado Life Sciences Companies + State Tax Credits

CBSA advocates for a supportive tax and regulatory environment, which is crucial to maintain and grow a competitive life sciences ecosystem in Colorado. This includes protecting the tax credits and exemptions that CBSA members rely on to attract investments and continue their operations. CBSA asked survey respondents to identify the state tax credits and exemptions they have used in the past five years and rank how valuable each credit or exemption is to their business.

Nearly 20% of survey respondents have **used the Colorado Advanced Industries Investment Tax Credit**, and of those companies, **over 60% reported that it is the most valuable** state tax credit for their business.

15% of respondents have also used the Enterprise Zone Investment Tax Credit and the state's net operating loss (NOL) deduction.

- Of the companies that have used the Enterprise Zone Investment Tax Credit, over 29% reported that it is the most valuable state tax credit for their business.
- Of the companies that have used the state NOL deduction, over 20% reported that it is the most valuable state tax deduction for their business.

About Colorado BioScience Association

Colorado BioScience Association (CBSA) creates co-opportunity for the Colorado life sciences community. CBSA champions a collaborative life sciences ecosystem and advocates for a supportive business climate. From concept to commercialization, member companies and organizations drive global health innovations, products and services that improve and save lives. The association leads Capital and Growth, Education and Networking, Policy and Advocacy, and Workforce Cultivation to make its members stronger, together. Learn more: cobioscience.com