



April 30, 2006

## Central Scottsdale corridor emerges as national hotbed for biological research

By Lindsay Butler  
Tribune

The cure for cancer could be discovered on Shea Boulevard.

The central Scottsdale corridor is home to some of the most cutting-edge biological research focused on improving medical treatment. Biotech's growth in Scottsdale is no coincidence, say city leaders who have been working for years to transform the city's reputation to include more than the perfect tan or Coach store.

"That tourism base remains an incredibly strong and large component with the profile of businesses in Scottsdale. But it's no longer the tail wagging the dog," said Rick Kidder, president of the Scottsdale Area Chamber of Commerce. Two of the Valley's three main players in the biotech field are in Scottsdale: The Mayo Clinic Scottsdale is providing an area for top scientists to work under the same roof, while Scottsdale Healthcare is pioneering an effort to develop new cancer treatments.

It won't just be corporations or cities that benefit. For example, local medical patients will be among the first to try out new cancer drugs, industry leaders said.

### BOOM TIME

Although the Valley is emerging in the biotech industry, Scottsdale is moving the fastest.

Earlier this month, a team of 26 representatives from Scottsdale, Mayo Clinic, Salt River Project and other private and public entities attended BIO 2006 - a worldwide biotechnology exhibition in Chicago. The conference allowed Scottsdale to rub elbows with biotech companies in hope of luring them to the desert.

Katherine Hutton Raby, Scottsdale economic development manager, said BIO 2006 is a joint effort of Valley cities to attract new business to the area. But each city has its own interest.

"Every year we walk away from BIO with companies interested in Scottsdale," she said. "And we might come out with one or two of them."

One of the most attractive features of Scottsdale is the opportunity for biotech companies to get in on the ground floor.

"I consider it as the early part of the boom time for the Valley," said George Kottayil, president of Insys Therapeutics, a Chicago drug development firm that recently announced it would be moving to the Valley. The firm will most likely settle in Scottsdale's Mayo Clinic, which is building new lab space designed for biotech research, said Richard Love, an executive for a

biotech company housed at Mayo Clinic.

Scottsdale's biotech industry started to escalate four years ago, and there is still a lot of room for growth:

- The Mayo Clinic sits on nearly 200 acres of land and has plans to build additional research facilities, housing for doctors and scientists and possibly an entertainment facility that includes a hotel, said Dr. Laurence Miller, the clinic's director for research.
- The Virginia G. Piper Cancer Center, at Scottsdale Healthcare Shea, has about 10,000 square feet of space to expand its clinical cancer research.
- The Salt River Pima-Maricopa Indian Community plans in the next several years to add 50,000 jobs along the Pima Road corridor by building five different commercial districts. One of those will be devoted to health services and biomedical research.
- The Mayo Clinic and Arizona State University are forming a partnership called MAC-5, which pairs students with clinical scientists to make research discoveries and improve cancer treatment.

#### COMPETITIVE COOPERATION

Although community leaders are excited about the economic and educational benefits of the biotech industry, the goal of the process is not to make money.

"We look at diseases as what we're trying to conquer," Miller said.

Biotech leaders use the phrase "from bench to bedside and back." That means taking findings from the lab straight to the patient, then evaluating the results.

One of the greatest benefits to local research is that area residents often are the first to see the fruits.

Hospitals with Mayo Clinic and Scottsdale Healthcare have agreements with TGen and other companies to test new therapies on human subjects. People fly in from out of state to try new drugs, said Mayo Clinic CEO Dr. Victor Trastek. Valley residents have a much shorter trip.

"We can make mice better all the time," Trastek said. "That's not the point of the exercise."

Jeff Trent, president and scientific director of the Phoenix-based Translational Genomics Research Institute, or TGen, said the goal is simple.

"Cancer is the enemy. Period."

Although each entity is constantly vying for top doctors and grant money, the competition is more cooperative in Arizona than in other, established biotech hubs such as Boston or San Diego.

"You do not find that level of collaboration between institutions and the private sector any place else in the U.S.," Hutton Raby said.

One of the central biotech programs is found at TGen, an organization focused on translating genetic research of diseases into new therapies to battle cancer and other debilitating diseases.

TGen has ties to several health care institutions throughout the Valley, but some of the strongest are at the Mayo Clinic and Scottsdale Healthcare.

For example, the Mayo Clinic Collaborative Research Building will house a number of different biotech entities under the same roof, including Mayo Clinic researchers, two spinoff companies from TGen, ASU researchers and drug development firm InNexus Biotechnology.

InNexus CEO Alton Morgan said his company's decision to move from Canada to Scottsdale could be summed up in two words: Mayo Clinic.

"We were offered a unique opportunity to become, if you will, not in a formal way, part of the Mayo system, from the standpoint of access to the world's best clinical organization with regard to research and development," he said.

With all these companies on their way to Scottsdale, educational programs in Tempe and Mesa are preparing students to work in the industry.

ASU has a partnership with the Mayo Clinic to pair its science students, undergraduates and graduates with Mayo's clinical researchers. The groups work on experiments funded by the clinic and the university.

Mayo Clinic also has internship programs for students in college.

"What this allows us to do is develop research programs along with education programs," said Kathy Matt, assistant vice president of research at ASU. "We are extremely excited about it."

Mesa Community College started a biotech program a few years ago, and many of its students have found jobs in biotech, said Stan Kikkert, co-director of the biotech program.

"The job prospects are good for students that are capable," Kikkert said. "They will have no problem finding positions in laboratories."

## RISING TIDE

All of the biotech growth would not have been possible 20 years ago. The city mostly relied on tourism, and it dawned on city leaders that they needed a broader base, said the Scottsdale chamber's Kidder.

Scottsdale began to seek growth in business services companies, regional headquarters such as the Dial Corp., and high-tech companies such as JDA software. Along the way, some small biotech companies also made their home in Scottsdale.

Kidder said the business of science is different from other industries.

"What you have in all of these cutting-edge services is something you don't find in, say, a McDonald's or a call center," Kidder said.

Biotech employees tend to be highly skilled and highly paid. The more "knowledge workers" a

city houses, the better, Kidder said.

"Through that high-end job growth, people are buying homes, they're spending money at (Scottsdale) Fashion Square, they're acting as patrons of the arts, they're involving themselves in investments in other enterprises," he said.

Scottsdale Mayor Mary Manross serves on the Arizona Bioscience Steering Committee, a group of 60 Arizona leaders that oversees the progress of the bioscience industry in Arizona.

"It's all about relationships, and being open and willing and making the effort to invite those entities, those folks and businesses, invite them to the community to talk," Manross said.

The mayor emphasized the need to work regionally, because what benefits Phoenix, Mesa and Chandler also affects Scottsdale.

"A rising tide lifts all boats," Kidder said.

What Is Biotech?

Some commonly used terms

**BIOTECH:** Using biological research to develop products that improve human health, animal health and agriculture. **SOURCE:** "Arizona's Bioscience Roadmap" by the Flinn Foundation

**WET LAB:** Generic term for any lab space in which researchers work with liquids and gases. Biotech firms usually need a variety of rooms for sterilizing instruments, maintaining a constant temperature, working on computers and working with radiation, to name a few. Wet lab space is expensive to build - it can cost upwards of \$350 per square foot. **SOURCE:** "Positioning Arizona as a Bioscience Leader" by Arizona State University

**ANGEL INVESTORS:** People or companies who put up money for early-stage technology firms.

**SOURCE:** Arizona BioBasics



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