

## Michigan Life Sciences Establishments Grow at Rate Higher Than the National Average, Says New Report

Tenth Biennial TEConomy/BIO Report Released

ANN ARBOR, MI, UNITED STATES, November 8, 2022 /EINPresswire.com/ -- The Biotechnology Innovation Organization (BIO) released its <u>tenth biennial report</u> "The U.S. Bioscience Industry:

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Stephen Rapundalo, PhD, President and CEO of MichBio Fostering Innovation and Driving America's Economy Forward" with new employment and economic impact data (through 2021) for the nation's biosciences industry

The report, produced in partnership with TEConomy, shows Michigan bio-industry sectors of Pharmaceuticals, Medical Devices and Equipment, Agricultural Feedstock and Industrial Bioscience, and Research, Testing and Medical Laboratories grew at a rate higher than the national average in total establishments. Overall, the total life science establishments statewide grew 22 percent to 2,429.

Three Michigan Life Science Sectors Rank in the Top 10 Nationally in Number of Establishments:

- Medical Devices and Equipment 5th largest with 454 establishments (up from 6th in 2018)
- Pharmaceuticals 9th largest with 184 establishments (up from 12th in 2018)
  Agricultural Feedstock and Industrial Bioscience 9th largest with 50 establishments (up from 17th in 2018)

"Michigan's ranking of total bio-industry employment remains in the upper tier nationally, and notably, the state outpaced the nation in the establishment of new organizations in several sectors," says MichBio President and CEO Stephen Rapundalo, PhD.

"This speaks to two things; firstly, that Michigan is home to significant life science infrastructure and talent. Michigan has always had a thriving life science ecosystem and these trends reflect the impact of having a long-established focus on R&D throughout the industry and at our world-class research institutions, paired with hubs of high concentration of life science expertise and employment, and a growing engagement with life sciences from the state – together creating

synergy around life sciences innovation."

"Secondly, that Michigan life science industry professionals, academic researchers, and partners, as well as those with transferrable skills in other sectors – such as automotive and advanced manufacturing - shouldered a larger than average burden of the pandemic response effort. The state was a critical manufacturing hub for therapies and medical products needed during the pandemic. While it would be easy to write off the growth in the number of establishments as strictly expected and therefore unremarkable, what these numbers indicate is something that we've always known about Michiganders – we are a state of unsurpassed grit and integrity, and significant expertise across all manufacturing industries that, when presented with an impossible problem, rose to the challenge in a way that was anything but unremarkable."

In addition to growth in establishments, total life science employment statewide grew by 5.6 percent to 44,340 and ranks Michigan in the top 15 nationally. This is against a backdrop where overall private sector employment in Michigan decreased by almost 5 percent. Significant bioscience employment rankings include:

- Medical Devices and Equipment 10th in sector employment with 11,924 (even with 2018 ranking)
- Pharmaceuticals 9th in sector employment with 9,956 (up from 10th in 2018)

"While the industry had to grow in order to respond to the historic global public health emergency, the bioscience industry continued an existing trend of growth both here in Michigan and throughout that nation," says Dr. Rapundalo, "Michigan played a vital role during the pandemic with significant vaccine production efforts, Pfizer in particular, but others as well, making it a major U.S. vaccine manufacturing hub. The bio-industry proved to be of great importance when responding to this and future public health emergencies, as well as an economic shock absorber for the state economy when other industries were forced to plateau or contract. As the industry with the highest reinvestment rate on dollars earned, the bio-industry is a stabilizing force for the economy now, as well as helping to grow and diversify Michigan's economy of the future."

Several Michigan cities – or Metropolitan Statistical Areas (MSA)'s - are notable in their Life Science focus with significant concentrations of employment:

- Kalamazoo, a medium MSA (those with 75,000 250,000 total private employment), has the highest concentration of both Medical Devices and Equipment, and Pharmaceuticals employment in the nation
- Ann Arbor, a medium MSA, ranks 11th across the U.S. in concentration of Medical Devices and Equipment employment, and 13th in Research, Testing, and Medical Laboratories employment
- Niles, a small MSA (those with fewer than 75,000 total private employment), ranks 5th nationally in concentration of employment in Medical Devices and Equipment
- Detroit-Warren-Dearborn, a large MSA (those with greater than 250,000 total private

employment), ranks 15th in the nation in concentration of employment in Bioscience-Related Distribution

Moreover, Michigan benefits from having one of the leading University-led, bioscience related R&D engines. It ranks 9th with \$1.62 billion in FY 2020 expenditures (a 5.4% increase from FY 2018). This, coupled with \$956 million in venture capital investment between 2018 and 2021, points to a thriving life sciences innovation and commercialization ecosystem.

The high-quality jobs generated across Michigan's bio-industry pay over \$101,000 annually on average (64 percent above the overall private sector wage average in the state) reflecting the prominent value-adding activities and skilled workforce deployed across scientific research and development, manufacturing, sales, distribution, and other key roles.

Michigan's life science industry remains a reliable and durable contributor to the state's economy, particularly during times of economic stress, providing great career opportunities for Michigan's STEM talent, while continuing a long-established history of impact on the health and well-being of citizens the world over. It's essential that all stakeholders, especially elected officials, economic development organizations and bio-industry leaders, work together towards common goals that will not only sustain, but ensure further growth and economic impact of Michigan's life sciences cluster.

## See the full Michigan report here.

## About MichBio

MichBio is the trade association committed to driving growth in Michigan's biosciences industry and its many sectors, including agri-biotech, food and nutrition, bio-based technologies and renewable chemicals, industrial and environmental biotech, medical devices and technologies, pharmaceuticals and consumer healthcare, diagnostics and research products, testing and research services, and clinical research. Visit: <a href="https://www.michbio.org">www.michbio.org</a>.

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