
MBI STRATEGIC PLAN

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I. STRATEGIC VISION PLANNING PROCESS

As Massachusetts Biomedical Initiatives (MBI) continues to build upon its successful track record, we periodically revisit and revise our strategic plan, last updated in January of 2011. To do so, the Board named a Strategic Vision Planning Committee, who met twice during early 2014.

Members of this Committee: Neil McDonough, Co-chair, Dr. Abraham W. Haddad, Co-chair, Robert J. Anderson, Craig L. Blais, Gail E. Carberry, Michael F. Collins, Robert K. Coughlin, Dennis L. Guberski, Sheila M. Harrity, Deborah Turner Kochevar, Tej Maini, Linda McGoldrick, Philip R. Morgan, Kevin O'Sullivan, Eric Overstrom, Gail E. Radcliffe, Yael Schwartz, George E. Wright.

II. MBI CURRENT SITUATION

Once again, MBI undertook the strategic planning process from a position of strength and accomplishment. The 2011 strategic plan had five key goals:

- 1) Continue to actively facilitate success
- 2) Re-evaluate incubator locations
- 3) Selectively broaden the cluster
- 4) Respond to changing industry dynamics
- 5) Assess impact and outcomes

A balanced budget and strong occupancy, as well as the successful development of a Biocomputing Center at MBI, suggest that these goals have been realized. Additionally, MBI continues to increase its visibility and has been recognized for contributions to regional economic development with MassBio's 2013 Leading Impact Award.

This document will review key issues and trends within the life science industry, summarize additional local considerations, describe the strategic vision and objectives agreed upon by the MBI Strategic Vision Planning Committee, and recommend action steps to ensure that the vision can be implemented.

III. MISSION STATEMENT

Mission Statement: Massachusetts Biomedical Initiatives (MBI) is dedicated to job creation and innovative healthcare throughout Massachusetts by promoting the growth of start-up biomedical companies. MBI is committed to collaborating with the academic, business and government communities to promote Massachusetts as the world leader in the health sciences industry.

Description: MBI is a private, independent economic development organization that serves as a catalyst for life science and healthcare innovation. We help start biomedical companies and create jobs within the Biotechnology,

Medical Device, Informatics, and Biomanufacturing industry by providing secure, clean bench and sink surface, staff trained and fully licensed laboratory space for usage by “seed stage” companies. Building and maintaining collaborative affiliations and partnerships are essential to our success.

Implementation Statement: MBI offers support to creative entrepreneurs with sound scientific business plans. Through its Incubator facilities located in Worcester, MBI lowers the barriers to success for emerging companies by providing cost effective, high quality laboratory and support services.

IV. OPPORTUNITIES AND CHALLENGES IN THE CURRENT ENVIRONMENT

A. State of the Life Science Industry: Key Issues and Trends

1. Funding for research and commercialization

- A. Research funding decreased due to NIH funding cuts
- B. Healthcare reform → controlling healthcare costs and shifting of risk
- C. Venture capital
 - 1) Declines in local VC commitment
 - a. Angel investors remain critical
 - b. Pressure to find partner and investor opportunities outside MA
 - c. Impetus to identify alternative business building pathways
 - 2) Changes in VC deal flow
 - a. Overwhelmingly to seed stage, and may be concentrated in IT
 - b. “Series A Gap”
- D. Funding appetites can vary region by region, firm by firm, partner by partner
- E. Startups and entrepreneurship
 - 1) VC deals are recycling entrepreneurs; new talent is not emerging
 - 2) People should be the investment, not products → need to attract the right talent for success
- F. Surge in biotech IPO’s
- G. Growth of accelerators
- H. Importance of backing young teams and providing mentoring

2. Scientific development

- A. Growth and critical importance of life sciences IT
 - 1) Big Data
 - 2) Personalized medicine
- B. Next wave of genomics
- C. Point-of-care
- D. Translational research: UMass CTSA example
 - 1) Accelerate discoveries and translate into patient outcomes
 - 2) Developing an ecosystem that drives innovation
 - 3) Challenges:
 - a. Multidisciplinary collaboration
 - b. Industry partnerships
 - c. Data transfer between research enterprise and the clinical system

3. Innovation

A. Challenges

- 1) Pipelines are drying up
- 2) Influx of big pharma
 - a. Not making up for the patent cliff
 - b. Complex collaborative culture in MA
- 3) FDA is still difficult, unpredictable, and slow

B. Opportunities

- 1) Networks are essential
- 2) Value demonstration → translating research into patient outcomes

4. National and global developments

- A. Emergence of domestic and international clusters
- B. Increased competition for companies and talent
- C. Need to ensure relevance and remain nimble

B. Geographic Considerations

MBI's location within the city of Worcester remains both an asset and a liability. The region's substantial biomedical and health science industry and workforce enjoy Worcester's favorable cost of living, affordable housing, ready access to public transportation, and ten local colleges and universities. As the western anchor of the state's biomedical and health sciences corridor, Worcester benefits from its location 40 miles from Boston as well as from improvements to the commuter rail service.

However, Worcester struggles with various factors including higher commercial and personal property tax burdens relative to nearby suburbs. The city faces competition with laboratory infrastructure space on the 495 corridor given their high lab vacancy rates, lower square foot operating costs and their ability to out price Worcester. Despite these challenges, Central Massachusetts' biomedical and health sciences economy presents a competitive regional advantage that MBI continues to leverage and nurture.

V. STRATEGIC RECOMMENDATIONS

Four categories of recommendations emerged from the discussions of the Strategic Vision Planning Committee. It is important to note that the outcomes of several recommendations will be contingent upon the addition of a Chief Operating Officer to the MBI team.

1. Continue to support the collaborative life science ecosystem

A. Assess MBI staff management and expand talent

- 1) Expand MBI through the addition of a COO, which will
- 2) Enable President/CEO to focus on external relationships, including media and partner institutions

B. Advance collaborative efforts to expand MBI's network and brand

- 1) Grow relationships regionally and nationally
- 2) Work with statewide partners such as MassBio, MassMEDIC, and Mass Life Science Center to identify specific target opportunities while ensuring that MBI remains differentiated
- 3) Enhance industry awareness of MBI tenant CROs

- 4) Leverage connections with educational institutions (QCC, MCPHS Worcester, MassDiGI at Becker College, the BETC at WPI) and highlight skilled workforce to further attract industry
- C. Cultivate partnerships with local institutions to increase core competency without capital expense
 - 1) Expand local partner opportunities with UMass Medical School, Cummings School of Veterinary Medicine at Tufts University, WPI Robotics and Computer Science
 - 2) Leverage MBI network to gain access to research infrastructure in order to enable entrepreneurs use of key equipment
 - 3) Promote licensing opportunities at academic institutions
- D. Serve as an advocate to help sustain and grow the Massachusetts life sciences cluster in the face of a rapidly changing environment
 - 1) Communicate the culture of collaboration within MBI and the region
 - 2) Cooperate with but do not duplicate existing efforts

2. Enable success through heightening the visibility of MBI and the Regional Biomedical Corridor

- A. Play a leadership role in branding the burgeoning Regional Biomedical Corridor through external outreach
 - 1) Collectively agree on the scope and definition of the Corridor
 - 2) Create a unified communication strategy for the Corridor
 - 3) Learn from the experiences successful clusters outside of Massachusetts
 - 4) Continue to promote the Cambridge/Worcester Biomedical/Health Sciences Corridor as one entity to internal and external audiences
- B. Leverage the strengths of the Regional Biomedical Corridor
 - 1) Work to increase awareness and to build the MBI brand throughout the Regional Biomedical Corridor
 - a. Ensure presence at regional scientific meetings
 - b. Continue to highlight MBI's success in helping to grow companies and jobs
 - c. Sponsor targeted workshops
 - d. Use ongoing City of Worcester marketing partnership (EDCC) as an opportunity to promote MBI & life sciences sector
 - 2) Pursue the creation of a Biomanufacturing cluster in Worcester/Central MA to complement Boston/Cambridge
 - 3) Highlight the density of university resources and availability of startup space throughout the Corridor
 - 4) Leverage the focus on patient outcomes for demonstrating the value of investments in the life/health sciences in Worcester/Central MA
- C. Enhance MBI website and branch out into social media to attract tenant companies
- D. Survey successful graduate companies to solicit their ideas on potential tenants/companies
- E. Further align UMass Medical School's world class reputation to MBI

3. Build on strengths of the current MBI model to take advantage of opportunities in the current environment

- A. Pursue focused objectives through the addition of a COO

- 1) Expand talent within MBI through hiring a COO with entrepreneurial experience
- 2) Assess the feasibility of partnering with academic institutions to add affordable incubator space, e.g., UMass Medical School, WPI Innovation Studio Incubator, and M2D2 in Lowell
- 3) Continue to monitor new incubator possibilities
 - a. Expand the life sciences IT focus
 - b. Increase biocomputing efforts underway at MBI
 - c. Evaluate the expansion of Life Science BL2 Lab facilities
- 4) Continue to assess existing services and modify cost structures in order to increase revenues. Review and realign accounting and auditing functions to reflect growth and service expansion.
- 5) Regularly poll tenants for their greatest unmet needs
- B. Shift President/CEO's focus to external relationships and supporting the regional corridor and life sciences cluster
 - 1) Expand into a public-private partnership to develop Biomanufacturing in Central MA
 - 2) Leverage proximity to key opinion leaders in medical community
 - 3) Advocate to increase workforce development programs for accessory positions other than laboratory technician and to support downstream expansion
- C. Leverage the strengths of the Board of Trustees
 - 1) Encourage board members to support tenant business plan development
 - a. Play an active role in increasing collaborations and partnerships
 - b. Strengthen outreach in the corridor
 - c. Represent MBI at partner meetings
 - 2) Assess Board of Trustees meeting structure

4. Nurture start-up companies and entrepreneurs

- A. Map out active relationships that enable MBI to nurture start-ups and identify gaps
- B. Facilitate meetings of entrepreneurs with service providers
- C. Coach start-up firms, and provide partnership opportunities
 - 1) Connect start-ups with entities such as Mass Challenge, Healthbox Incubator, WPI's Tech Advisors Network, and Clark University's SBDC
 - 2) Cultivate relationships with potential funders including VC, Angels, and family foundations
 - a. Provide linkages to VC funding opportunities in Boston/Cambridge for Central Mass companies
- D. Restart quarterly breakfast networking events
- E. Pursue partnership with MassCONNECT
- F. Promote MBI as a resource for established companies searching for ideas
- G. Assist companies transitioning from research to development
- H. Continue to monitor global developments that impact start-ups
 - 1) Growing international demographic pressures and demands for healthcare, e.g. the aging population in China
 - 2) Global flow of highly skilled talent, especially from China and India