

LIFE SCIENCES CORRIDOR MEETING MINUTES
Broward College
October 22, 2010

Attendees: Ivette Arango, J. David Armstrong, Randy Berridge (by conference call), Joe Bivins (by conference call), Isabel Cosio Carballo, Ben DeVries, Andrew Duffell, Divina Grossman, Ken Jessell, Gary S. Margules, Ed Massey, Gisela Mohring, Rolando Montoya, Ramaswamy Narayanan, Frank Nero, Joel Ramos, Jeremy Ring, Mark Rosenberg, James Rusciano, Stephen Sauls, Robert Swindell, Ronald Toll, and Juan-Carlos del Valle

Absent: John Adams, Rudy Fernandez, Ray Ferrero, George L. Hanbury II, Gaby N. Hawat, John C. Hitt, Larry Pelton, Mary Jane Saunders, Ed Schons, Donna Shalala, Sanford C. Shugart, Kelly Smallridge

The meeting was called to order at 9:16 AM by President Mark Rosenberg.

President Rosenberg introduced meeting host J. David Armstrong, President of Broward College. President Armstrong welcomed everyone to Broward College and expressed enthusiasm about this Life Sciences Corridor partnership in South Florida. He announced that Broward College was celebrating Hispanic Heritage Month and also the 50th anniversary of Broward College and Miami-Dade College. President Armstrong also thanked Senator Jeremy Ring's attendance at the meeting.

Mr. Nero distributed the report of the "Task Force on the Study of Biotech Competitiveness." Since the first meeting on August 17, 2010, President Rosenberg noted that the workgroup has expanded, and requested all present to introduce themselves. He introduced keynote speaker Senator Jeremy Ring, noting that the senator understands both business and legislative strategies needed to achieve realization of the Life Sciences Corridor.

Senator Ring earned his educational degree at Syracuse University. After working at several low-paying jobs in New York City, he was one of a small group of entrepreneurs who formed the Internet company, Yahoo! He held the position of sales executive, and was instrumental to growing sales to over \$1B in only five years.

With his dual role as businessman and Florida senator, Senator Ring understands the missions of both businesses and governments. Businesses are interested in profit return, while legislators are focused on creating jobs. However, he said there are obstacles for major businesses trying to establish themselves in the state. He considers his observations and suggestions as those of an outsider. He said that Florida falters in a number of areas:

- Lack of funding for research commercialization, especially early stage funding
- Lack of strong leadership
- Looking only within Florida and not to the outside world.

Senator Ring explained that legislation cannot do much for building business in Florida. To grow the state's economy, he said that the universities hold the power, not the Legislature in Tallahassee. The state capitol funds the universities, but it does not provide enough support. Private funds are also needed for economic growth and university support. As more people turn to Tallahassee for funding, especially in this recession, the economic growth will be limited within the universities. To grow the

economy, we need to 1) promote entrepreneurship, 2) expand existing businesses in Florida, and 3) attract outside businesses from other states and countries.

Senator Ring opined that Floridians tend to speak only among themselves and not with the outside world, such as other states or countries. Promoting Florida's businesses needs to occur outside the state and outside the country, encouraging companies to relocate to Florida. There is a need for leadership. Senator Ring stated that if he were the Governor of Florida, one of the first things he will do is to travel with his cabinet to visit influential people in other states and other countries. Typically, people encourage business growth by sending out information and presenting to businesses, but for a conclusive business deal, there needs to be good relationships between CEOs. For example, when Yahoo! wished to build a server farm, many people applied to serve as the location, but one state official contacted the CEO of Yahoo! and therefore the farm located in New York. Furthermore, Senator Ring observed that Floridians tend to speak negatively to others about our poor rankings in education, in funding for schools, and the like. With such negative comments, why would people move their businesses to Florida?

Senator Ring stated he understood that the Life Science Corridor was interested in building biotechnological centers in South Florida. Although beneficial, this initiative is a long term project, requiring at least 10 years to complete. Bio-technological centers will attract faculty to Florida. However, faculty do not drive new innovations; innovations are created by students. Mobile devices and other inventions were started by students in a short timeframe. Students are interested in new apps, GPS, internet sites, converging information, and other enabling technology. Senator Ring articulated the importance of providing support and mentorship to students, and creating a culture of entrepreneurship.

Senator Ring proposed how to accomplish a more short-term, student-driven program. First, Floridians need to stop speaking to each other and instead to look outside the state. When venturing outside the state, members need to see how locations, such as China and the Silicon Valley, built their technological foundations and how they are equipped. Following those visits, Floridians need to evaluate how we can be better equipped? The value proposition in Florida includes good weather, ocean, wind, and agriculture. For biotechnology, there is value that Florida already offers. Through these steps, Senator Ring stated that this will attract people and business to Florida. He reiterated that economies are driven by universities, especially students. For example, Dell Computers in Texas was started by student Michael Dell, who built computers in his dorm room. The world changed over the last 20 years through a student, Bill Gates, whose innovations, like social networking, changed the world. Senator Ring stressed that no one at the meeting had the ability to build the economy, but we have the ability to support our students.

President Massey asked Senator Ring to clarify his definition of "clean technology." Mr. Ring gave the examples of the University of Florida researching battery power and Google investigating how to build a car that did not require a driver. By 2014, biotechnology will be important for the required state health insurance exchanges to implement President Obama's health care reform legislation. Senator Ring calls this a new Y2K and constitutes the single biggest opportunity in the state. Many hospitals and other health sectors are behind in this initiative, but within the next few years, it will be one of the biggest industries. President Armstrong stated that institutions, such as Indian River State College, Duke University, and Broward College had collaborative connections with information technology pertaining to medicals records. Senator Ring stated that Florida is still behind, partly due to infrastructure.

Mr. Nero reflected on Mr. Ring's comments regarding leadership roles. He stated it is a major problem and that governors need to travel and meet with company CEOs and bring businesses to the state. Mr. Nero also indicated that Enterprise Florida needs to be restructured. Senator Ring agreed that Enterprise Florida can change, but required the Governor's support. Mr. Nero cited the example of Telefonica locating in Florida because past Governor Jeb Bush flew to Spain and made business contacts in person. Mr. Berridge noted that when Florida High Tech Corridor was started 15 years ago, they supported research projects, which included 2,400 students, millions in funding, and over \$100M invested into Florida's economy. He stated that these research projects acted as retention programs.

Senator Ring repeated that the state needed to think on a larger scale beyond Florida; we do not now have a big enough view. Although Florida has enjoyed some small successes, it is not appealing to young entrepreneurs; Google, Yahoo!, and other businesses are not present here. He agreed with the success stories described by attendees, but he said none contained a major business name. Florida only had Citrix, which does not rank in the United States top 50 businesses. Senator Ring used the example of a bill he sponsored that would transfer 10% of Bright Future Funds from liberal arts students to engineering. Over 25,000 people petitioned against the bill on Facebook, and he had no support.

Provost Montoya found Senator Ring's analysis refreshing, especially his focus on students, not only faculty. Provost Montoya questioned what the Senator envisioned as the role of the community colleges; when looking at his own student body, he has difficulty grasping their role? Senator Ring responded that the vision does not exist in Florida yet, and needs support through recruitment, gap funding, and other strategies. With respect to private funding, Senator Ring stated that many wealthy people live in Florida of whom we are not even aware. Universities can reach out to these people. Universities create the innovations that give rise to new industries for the workforce. Community colleges provide the workforce, but they need an industry to provide for. Senator Ring stated that success in the life sciences is long-term and is contingent on faculty recruitment. Success in the high-tech sector is short-term and is student-driven.

President Rosenberg reflected on his previous conversations with Mr. Ring, stating that the student perspective was new. President Rosenberg questioned if Senator Ring viewed the life sciences as the wrong direction? Senator Ring answered that the life sciences corridor was the wrong direction for the short-term and the student perspective. However, the life sciences are the right direction for research and the long term. Senator Ring noted that the initial composition of this organization needs enhancement. Current members at the meeting hold no track records for establishing companies. Investors and entrepreneurs act differently than universities. Universities need to look for business executives and vice versa. If executives and growing industries see potential for profit, investment will occur. Universities need to be drivers of the car for this to happen.

Senator Ring stated that currently, Florida is building buildings and hope business will come. Instead, the state should have the businesses come and then build the buildings for them. Life Science Corridor members need to tour major economic centers throughout the United States and not simply stay in Florida. The Senator encouraged Life Science Corridor members to assess the current status of businesses in Florida, look beyond the state, and seek private capital rather than state capital. There are 5 to 6 people in Florida holding \$15M in funds, but remain hidden. However, companies reside elsewhere in the United States.

In ending his presentation, Senator Ring recommended that:

- We expand the composition of the group. We need to include people with a track record of investing in venture capital space and in growing industries.
- We need to leverage our assets.
- We need to look outside of Florida – what is happening in China ? in Dubai ? in Latin America ?
- We need to find significant private capital.

President Rosenberg highlighted the urgency of the Life Sciences Corridor for the Florida economy. He proposed establishing workgroups for the initiative. The workgroups are as follows: 1) Mission – to formulate the mission of the group, 2) Composition – to determine who else needs to be present other than current participants, 3) Strategies – or steps needed to achieve goals, 4) External Success Factors - focused on factors that enable companies to be successful, exploring other states and countries, and 5) Students – to address how to promote an entrepreneurial environment for students.

President Rosenberg stated that each of the five work groups will work together and will convene in a longer meeting in January to establish our charter and working agreement. The initiative needs to be an inclusive exercise. President Armstrong agreed to work with Mr. Swindell on the External Success Factors, especially given their experience in university and economic development partnerships with MIT, Silicon Valley, Austin, Texas, and other locations. President Rosenberg assigned Mr. Nero and himself to the Mission workgroup. The Student workgroup will be led by Mr. DeVries and Dr. Margules. President Rosenberg nominated Mr. Berridge and Provost Toll for the Strategies workgroup.

President Rosenberg stated that after developing the work on mission, composition, strategies, students, and external success factors, white papers will be prepared for submission in December, so that we can establish a plan at the January meeting. Mr. Nero noted that this timeline aligns well with the election of a new Governor, so that the group can present the white papers.

At the meeting conclusion, Ms. Cosio Carballo of the South Florida Regional Planning Council announced receipt of a \$4.25 M grant to develop a plan for sustainability in the region. There will be opportunities to submit proposals for transportation, housing, and other elements included in the original submitted grant.

President Rosenberg encouraged members to contact Dr. Divina Grossman if there are questions. President Rosenberg adjourned the meeting at 10:46 a.m.