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NVCA Joins BayBio in Call for Regulatory Environment Conducive to Biotech Industry Growth

December 11, 2006, Washington, D.C. – With \$14.5 billion of venture capital investment flowing into the biotechnology industry nationally over the last five years, the National Venture Capital Association (NVCA) today applauded BayBio:IMPACT 2007, a compelling report which focuses on the economic impact and medical contributions of Northern California’s biotech industry. The study found that the 900 regional biotech companies spawned 6,000 new jobs in 2006, bringing the total number of biotech-related jobs in Northern California to 90,000. Additionally, these companies generated \$6 billion in payroll in 2006 and have a collective market capitalization of \$150 billion.

“Venture capitalists have long recognized the significant contribution of biotechnology innovation on the quality of patient care. However, the venture industry’s capital commitment to this investment sector must be accompanied by a regulatory environment that is conducive to the efficient delivery of life-saving medical breakthroughs,” said Mark Heesen, president of the NVCA. “The NVCA will continue to work alongside of BayBio and other like-minded organizations that seek to foster such an environment which includes a predictable and timely FDA and CMS review process and government funding for basic research. Additionally, the ability for venture-backed companies to participate in the Small Business Innovative Research program is paramount to maintaining a strong innovation pipeline within the life sciences sector.”

BayBio: IMPACT 2007 concurred that streamlined regulatory processes, favorable tax structures, intellectual property protection, and funding for basic research are critical to the industry’s continued success.

In 2004, the NVCA-commissioned study “Patient Capital” found that one out of three Americans have been positively impacted by venture-backed medical innovations developed over the last 20 years. Further, more than 70 million Americans have had their lives extended or quality of life improved as a direct result of venture-backed diagnostic and therapeutic innovations. Thriving, innovative biotech companies that were once venture-backed include Genentech, Amgen, and MedImmune.

About NVCA

The National Venture Capital Association (NVCA) represents approximately 460 venture capital and private equity firms. NVCA's mission is to foster greater understanding of the importance of venture capital to the U.S. economy, and support entrepreneurial activity and innovation. According to a 2004 Global Insight study, venture-backed companies accounted for 10.1 million jobs and \$1.8 trillion in revenue in the United States in 2003. The NVCA represents the public policy interests of the venture capital community, strives to maintain high professional standards, provides reliable industry data, sponsors professional development, and facilitates interaction among its members. For more information about the NVCA, please visit www.nvca.org.