



connections newsletter



**MAY 2019
UPDATE**

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NCBIO This Month

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Legislation on Repeal of Franchise Tax Introduced



NCBIO - Media

Find the latest news from NCBIO on the website ncbioscience.net, on [LinkedIn](#) and on Twitter at @ncbio.

NCBIO Links

[CED](#)

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[North Carolina Pharmaceutical Services Network](#)

[NCABR](#)

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Legislation has been introduced in the state House and Senate to reduce North Carolina's franchise tax rate for most C corporations to \$1.30 per \$1000 of tax in the 2020 tax year and \$1.00 per \$1000 of tax base in the 2021 tax year and thereafter. The legislation would also set a \$150,000 cap on the tax beginning in tax year 2020.

The legislation would also modify how a corporation's tax base is calculated. Currently, corporations must pay tax on the greater of one of the following three tax bases: (1) the corporation's adjusted net worth, (2) 55% of the appraised value of the corporation's real and tangible personal property in the state, or (3), the corporation's actual investment in tangible property in the state, less reserves for depreciation and certain debts. The proposed legislation would eliminate the appraised value base and require corporations to calculate their tax based on adjusted net worth or adjusted actual investment.

NCBIO is working with leaders of both chambers of the Assembly to win additional relief for emerging R&D companies, arguing that such companies typically have little to no revenue from which to pay the tax, and must therefore pay tax from equity raised from venture capitalists and public markets. For these companies, the tax is usually strictly a tax on equity – and when paid, shortens the company's runway to profitability.

NCBIO is hopeful that its proposal will be included in any final franchise tax legislation that is adopted by the Assembly.

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Tax Bills Would Implement Market-Based Sourcing

Multi-state companies selling services would use a different means of calculating revenue for income tax purposes under legislation introduced in both chambers of this year's General Assembly. So-called market-based sourcing legislation would provide that a service business's revenue be allocated to the location where the service is delivered. Current law provides that revenue from services is attributed to the location where the service is performed.

Because the share of a multi-state company's profit that is taxable in North Carolina depends heavily on where the company's revenue is considered to originate, market-based sourcing would reduce the North Carolina tax burden of contract research organizations by attributing more of their revenue to out-of-state sources.

"We are excited that the Assembly appears poised to enact market-based sourcing," said NCBIO President Sam Taylor. "If enacted, this change will further strengthen our state's already substantial contract research industry."

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2019 Life Science Caucus Holds First Meeting



Lilly



Novartis



Pfizer



We Work For Health



NCBIO Supporting Members

Cook Medical



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Life Science Co-Chairs Sen. Paul Newton, Rep. Donna White, Rep. Robert Reives and Sen. Mike Woodard

An overview of the state's life science industry and the growth in jobs was the focus of the first meeting of the Joint Legislative Life Science Caucus for the 2019 General Assembly Session. Committee Co-Chairs Sen. Paul Newton (R-Cabarrus & Union), Rep. Donna McDowell White (R-Johnston), Sen. Mike Woodard (D-Durham, Granville & Person) and Rep. Robert Reives (Chatham & Durham) welcomed committee members and discussed plans for the group including visits to some company sites.

Thomas Hardaway of PhRMA talked with Caucus about the process in getting drugs developed and to the market. Sam Taylor, NCBIO President, talked about importance of industry to the North Carolina economy and the work of NCBIO.



Bill Bullock of NCBiotech presents TEconomy report at Life Science Caucus meeting

Bill Bullock, North Carolina Biotechnology Center Sr. Vice President for Economic Development and State Operations, noted that the 63,000 life science employees in the State leads to a total economic impact of 240,000 employees in some way assisting the industry with wages and benefits of \$16.7B. Bullock reviewed the recently released 2018 TEconomy Report on the Life Science industry in North Carolina. He also discussed the growth in the number of biomanufacturing employees and the work of the Center in meeting the needs of companies.

"We are pleased so many new members of the General Assembly turned out for the meeting along with those who have participated in previous years. We are fortunate to have four Co-Chairs of the Caucus who are knowledgeable about the industry," said Sam Taylor. "We look forward to working

with the Caucus and providing information needed for their work.”

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NCBio Life Science Forum: Diagnostics in the Age of Precision Medicine

Join NCBio members on May 8th from 11:30 a.m. to 1:30 p.m. at the NC Biotechnology Center in RTP to hear industry leaders discuss the new importance of diagnostics with the emergence of new therapies, cures, and personalized medicines. Diagnostics run the gamut from FDA regulated devices to laboratory-developed tests (LDT). Our panelists will showcase their diagnostics along with a moderated discussion on regulatory issues, patentability, and reimbursement, all with an eye to their increased importance in the age of precision medicine. Current participants include:

- **Erica Jackson**, Partner, K&L Gates (moderator)
- **Nick Lazaridis, Ph.D.**, President, AccuGenomics
- **Geraldine McDowell, Ph.D.**, Vice President, Strategic Director, Center for Molecular Biology and Pathology, LabCorp
- **Rich West**, Chief Executive Officer, Baebies

To register, [click](#) or contact [Amber Niebauer](#), events director.

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Biotech Manufacturing Safety Summit



NCBio members and guests will convene on June 12th from 8:30 a.m. to 3:30 p.m. at Biogen in Durham for the 2019 Safety Summit. Registration is available to NCBio members, particularly directed at site leaders; individuals involved in human performance management, disaster and risk management, and crisis communication; and Environmental, Health, and Safety (EHS) staff.

Attendees will participate in interactive discussions focusing on workplace safety including human performance, crisis management, and hurricane preparedness. Speakers include:

- **Todd Conklin**, Author, *Ways to Revitalize: Simple Revolutionary Acts and Your Workplace*
- **Tom Wilson**, Author, *Moments of Impact*
- **Jennifer Bailey**, Director of Safety and Health, Alabama Power Company & Southern Company Operations Services
- **Roger Paules**, Senior Marketing Manager, Energy Services, Duke Energy

Additionally, there will be two speaker-led breakout sessions on Ways to Implement and how these safety measures can be implemented.

Thank you to Biogen and the NCBio Biotech Manufacturers Forum (BMF) members for sponsoring this event. If you are interested in sponsorship opportunities, please contact [Brenda Summers](#), communications director. To register, click [here](#) or contact [Amber Niebauer](#), events director.

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Funding in Life Science Increases According to CED Report

North Carolina-based high-growth companies raised a record-setting amount of venture funding last

year according to the [CED 2018 Innovators Report](#). Funding in life science increased by 171% to \$730,471,131, the most in over five years. These life science companies saw 76 deals and the average deal size in life science was \$9.6 million. [More](#)

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Register Now to Participate in BIO 2019, June 3-6, Philadelphia

BIO 2019 brings many opportunities for partnering, networking and learning. Working with partners across the state, [NCBiotech](#) (North Carolina Biotechnology Center) is organizing a few opportunities with a North Carolina flavor.

On Wednesday, Sara Imhof, senior director for precision health, will moderate the panel “Innovative Models for Real World Evidence: Creating Value-Based Precision Health.” Panel members include representatives of Optum, Vital Innovations and Alva10. Doug Edgeton, President and CEO, will serve on the NCBiotech-organized panel “Technology-Based Economic Development: Evolving Models, Strategies and Finance Approaches.” The panel is moderated by Dan Berglund from SSTI.

Links to place these on your calendar:

- [Innovative Models for Real World Evidence: Creating Value-Based Precision Health](#)
- [Technology-Based Economic Development: Evolving Models, Strategies and Finance Approaches](#)

North Carolina will take center stage on Tuesday at 2:30 p.m. in the Global Innovation Hub showcase. Help us raise North Carolina’s profile by stopping by this 15-minute talk given by Mary Hecht-Kissell, director of business development, at NCBiotech.

Finally, the North Carolina Reception is at the Barnes Foundation from 6 p.m. to 9 p.m. on Tuesday. [Let NCBiotech](#) know if you’d like to attend, and if there are business contacts that you’d like to invite. NCBIO’s [Laura Gunter](#) will be participating in these events.

More than 16,000 people are expected to attend the event. [Register](#) now and check out the [agenda](#). Here are some upcoming deadlines.

[Housing](#) - Book Your Room Now

[Registration](#) - Now Open!

[Partnering Opens](#) – Now Open!

NC Startups are invited to participate in an exclusive angel investor event prior to BIO 2019 in Philadelphia. High-growth biotech startups to pitch directly to accredited investors. Six spots are available to qualified startups. Contact John Bedor for more details, at jbedor@thetradeshowmanager.com or 919 799 0954.

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NC State Animal Food and Nutrition Consortium Open Forum May 13

Attend an Open Forum with other potential industry members to learn more about the AFNC and to meet the faculty, students, and postdocs who will be part of the consortium. The forum will be held on May 13, 2019, from 8:30 am – 9:30 am at the D.H. Hill Jr. Library B404 on NC State’s North Campus. [Click](#) to RSVP.

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At the National Level

Medical Device Repeal Legislation Introduced In House

North Carolina Congressman Richard Hudson is one of four lead co-sponsors of legislation to repeal the federal medical device excise tax that was introduced. The bill would address the looming threat of a \$20 billion tax increase at the end of this year when the current medical device tax suspension expires.

NCBIO President Sam Taylor thanked Hudson for his leadership on the bill. “North Carolina is home to nearly 200 medical device companies employing more than 8,500 workers at an average annual wage of more than, \$60,000. These companies and jobs will be at risk if the Medical Device Tax takes effect at the end of this year. Congress has already acted to suspend the tax, it is time to repeal it outright.”

North Carolina Representatives Ted Budd (NC-13), Virginia Foxx (NC-5), George Holding (NC-2), Patrick McHenry (NC-10), Mark Meadows (NC-11), David Rouzer (NC-7), and Mark Walker (NC-6) also co-sponsored the bill before it was filed. Similar legislation has already been introduced in the United States Senate. The Senate bill has 20 co-sponsors, including North Carolina Senators Thom Tillis and Richard Burr. [More](#)

BIO Fly-In



NCBIO members, Sam Taylor, and BIO CEO Jim Greenwood present award to Sen. Richard Burr

NCBIO’s Sam Taylor and Laura Gunter were among the more than 200 biotechnology industry representatives from over 40 states participating in the April BIO Legislative Day Fly-In. Participants discussed issues critical to the biotechnology industry, including drug development, discovery and delivery reforms, targeting abuses of the U.S. patent system while protecting innovation, providing adequate reimbursement for vital therapies under Medicare, FDA funding, trade, tax policy, Farm Bill Implementation, protecting the Renewable Fuel Standard and capital formation issues relevant to biotechnology companies.

Senators Richard Burr and Thom Tillis, Representatives Ted Budd, Virginia Foxx, George Holding, and Richard Hudson were recognized by BIO for their leadership as Innovators in Biotechnology. Taylor and Gunter along with representatives from North Carolina companies presented the awards during visits with Congressional members as part of the BIO Legislative Day Fly-In.

BIO’s Innovator in Biotechnology award recognizes Members of Congress who have been collaborative partners, advocates, and champions of the biotechnology and life sciences industries.

“The life sciences industry in North Carolina provides jobs for over 63,000 people. These senators and representatives have been invaluable advocates for the biotechnology community – both in North Carolina and the nation at large,” said Sam Taylor, President of NCBIO. “On behalf of the North Carolina life science industry, we thank these members for outstanding leadership and dedication to supporting the innovative capacity and job-creating potential of American life science companies.”

NCATS SBIR & STTR Funding Opportunities Are Available

The NIH National Center for Advancing Translational Sciences (NCATS) is seeking applicants for its small business funding opportunities through the Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs. NCATS offers annual funding for the development of innovative tools, technologies and intervention (drug, device, diagnostic) platforms that would support the creation of novel therapeutics.

NCATS has released a SBIR contract solicitation to support small businesses interested in developing innovative health technologies. The standard deadlines to submit an application for open NCATS SBIR and STTR Omnibus Solicitation are September 5, 2019 and January 5, 2020.

For more information about NCATS, its SBIR and STTR programs, and upcoming funding opportunities, visit the Small Business Opportunities page. If you have general questions about the NCATS SBIR and STTR program or want to discuss potential project ideas and related questions, email NCATS-SBIRSTTR@mail.nih.gov.

FDA Deputy Commissioner to Speak at MDMA 2019 Annual Meeting

Dr. Amy Abernethy, FDA Principal Deputy Commissioner, is CONFIRMED to deliver a Keynote Address at MDMA's [2019 Annual Meeting](#) being held May 1- 3 in Washington, DC!

With new leadership of the FDA, Dr. Abernethy will provide an update on reform efforts the agency is taking for medical technology regulations and share the vision for improving the innovation ecosystem in the 21st century. CMS Administrator Seema Verma is also confirmed to deliver a Keynote Address at the meeting.

[Click here](#) to see the robust agenda with other speakers for the event.

The MedTech Conference – September 23-25

Join AdvaMed in Boston this September as more than 3,000 of the world's top medtech executives gather for [The MedTech Conference](#).

Featuring world-class plenary speakers, cross-cutting programming, valuable networking and business development opportunities, The MedTech Conference is a must-attend event for the industry's most prominent and most promising companies.

The exhibit floor will open on Monday, September 23, giving you an extra day to network, visit exhibitors and take in presentations at any of the six stages.

[Register now](#) and save \$200 on a full access pass. Early bird registration ends July 26.

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Member News

To be included in Member News, send information about your organization to [Brenda Summers](#).

[Alexandria Real Estate Equities](#) has full occupancy in the first phase of AgTech Center in Research Triangle Park. The 175,000 square-foot first phase is located at 5 Laboratory Drive. [More](#)

[Amgen](#) announced that EVENITY™ (romosozumab-aqqg) is now available for shipment to wholesalers in the U.S. EVENITY was approved by the U.S. Food and Drug Administration (FDA) on April 9, 2019, for the treatment of osteoporosis in postmenopausal women at high risk for fracture. [More](#)

[Asklepios BioPharmaceutical, Inc](#) (AskBio) announced \$235 million in funding to augment and accelerate its business. TPG Capital and Vida Ventures are investing \$225 million for a minority stake in the company. As part of the transaction, AskBio's founders and board members are co-investing \$10 million. [More](#)

[Biogen](#) presented new data illustrating the rapidly progressive nature of spinal muscular atrophy (SMA) in adults, adolescents and older children at the Muscular Dystrophy Association (MDA) Clinical and Scientific Conference in Orlando, Florida in April. Other Biogen presentations highlighted the benefits of pre-symptomatic treatment with data from the NURTURE study, part of the SPINRAZA® (nusinersen) global clinical trial program, and findings on the role of neurofilament as a potential biomarker for predicting motor function in SMA. [More](#)

[BioResource International, Inc.](#) (BRI) has licensed gene editing technology from The Broad Institute and Pioneer Hi-Bred International. BRI's agreement with the Broad Institute licenses CRISPR-Cas9 for use in the development of products that promote animal health and nutrition. [More](#)

[Hatteras Venture Partners](#) announced the first closing of Hatteras Venture Partners VI, LP (HVP VI), with \$94 million in deployable capital toward an ultimate target fund size of \$200 million. "The pace and quality of our deal flow has grown tremendously during the past several years," said Clay Thorp, Co-founder and General Partner of Hatteras. [More](#)

Jeff Wolf, Chief Executive Officer of [Heat Biologics](#), is scheduled to present at the ThinkEquity Conference on Thursday, May 2nd, which is being held at The Mandarin Oriental Hotel in New York City. [More](#) Heat Biologics is moving its Durham-based headquarters to Morrisville's Keystone Technology Park. [More](#)

[ImmunoReagents](#) received its second Nasbite International Outstanding Exporters Award in Savannah, GA in April. Representatives were there to speak at the conference and were honored to receive the recognition again this year.

To examine historical and future clinical trial productivity trends across therapy areas a new report from the [IQVIA](#) Institute for Human Data science titled, *The Changing Landscape of Research and Development: Innovation, Drivers of Change, and Evolution of Clinical Trial Productivity* puts forth a proprietary Clinical Development Productivity Index that reflects changes in trial complexity, success and duration. [More](#)

[Lindy Biosciences](#) announced it has completed a \$1.6M Series A round. The financing was led by [Alumshares](#) and [BlueTree Allied Angels](#) with participation by IAG Capital Partners, the Charleston Angel Conference, and Next Act Fund. The company also announced Omar Flores, PhD, of Alumshares, and Sreekar Gadde of BlueTree Allied Angels, will join Lindy's board of directors. [More](#)

[Mayne Pharma](#), which opened a new \$80 million Greenville facility in 2018, is launching the Mayne Scholarship program at Pitt Community College (PCC) this fall. The program is intended to draw STEM-focused students into pharmaceutical careers to help address a shortage of qualified workers in the industry. [More](#)

The [National Center for the Biotechnology Workforce](#) (NCBW), housed at [Forsyth Tech](#), hosted a BETA Skills Standards meeting at [Durham Tech](#) in April to look at skill sets in the novel intersection of tissue engineering and biomedical devices. The meeting is part of a national series of meetings as part of a National Science Foundation (ATE Division) grant to determine what companies /institutions will be looking for in their future technician workforce. For more information, contact [Russ Read](#).

[Pharmaceutical Product Development, LLC](#) (PPD) has been named to Forbes magazine's 2019 list of America's Best Large Employers, marking the second consecutive year the company was selected. The recognition follows PPD's inclusion earlier this year on Forbes' list of America's Best Employers for Diversity. [More](#) Optimal Research, a service of PPD's Accelerated Enrollment Solutions (AES) business unit, was named the top clinical trial network at the 12th annual Vaccine Industry Excellence (VIE) Awards during the 2019 World Vaccine Congress in Washington, D.C. [More](#) PPD was named the winner of the CRO Quality Award from the Association of Clinical Research Professionals (ACRP) and The Avoca Group during the recent ACRP annual conference in Nashville, Tennessee. [More](#)

[PharmaDirections](#), in cooperation with SE BIO, are pleased to announce the 1st Annual SEBIO JumpStart Grant. PharmaDirections will be awarding a single grant to the selected winner. Approximate value of the JumpStart Service Grant (non-cash grant) is \$25,000.

[Syneos Health](#) announced it has been named the Best Contract Research Organization (CRO) at the Vaccine Industry Excellence (VIE) Awards. Presented at the World Vaccine Congress in Washington, D.C., the awards recognize the efforts and achievements of companies and individuals in the vaccine industry during the previous year. [More](#)

[TCG](#) is pleased to welcome [Travis Lindsay](#) as its newest partner. Travis brings more than 25 years of senior executive experience with leading medical technology and pharmaceutical companies. He has led several organizations through reorganization and redirected strategic direction leading to spectacular increases in top and bottom-line performance. [More](#)

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NCBIO Member Benefits – New Discounts from NCBIO Member Companies



NCBIO Member Benefits

4,000 companies saved nearly \$400 million in 2018 through BIO Business Solutions®. As an NCBIO

member, you are eligible! This is a benefit of your NCBio membership. Review the cost-savings offered by clicking [here](#) and choose the programs you're interested in. Email biobusinesssolutions@bio.org with your choices and they will get you started. For all the latest news, promos, and event information, follow [BIO Business Solutions® on LinkedIn!](#)

[Office Depot](#) offers members discounts on a range of products. Up to of 80% off MSLP on a core list of over 1,000 frequently ordered office, cleaning and breakroom supplies. NCBio has received significant savings on printing and copying services.

- Deep discounts on copy, print and finishing services
- More than 90,000 items discounted below retail
- Exclusive discounts on HP ink & toner
- Flexibility to customize to fit your needs
- Free delivery on qualifying orders
- Exclusive member promotions
- Same great price online or in-store
- Dedicated account management

For more information contact, Regina Winebarger, Business Development Manager, 336-803-2104 or Regina.winebarger@officedepot.com.

[UPS](#) offers NCBio members savings through pre-negotiated rates. BIO Business Solutions® brings you savings of up to 65% on UPS Worldwide International services. With a service area covering more than 220 countries and territories throughout the world, UPS brings speed, reliability, scalability and security to your global life sciences logistics needs.

UPS offers a wide selection of international shipping options to meet your time-definite and day-definite delivery requirements. Services range from UPS Worldwide Express to UPS Worldwide Expedited and more, in addition to value-added services such as ambient and temperature sensitive shipping, delivery confirmation, special handling options, and shipment consolidation to simplify customs clearance.

If you are new to UPS, visit savewithups.com/bio to complete the easy online enrollment, and begin realizing the benefits of shipping with UPS. If you're an existing UPS customer, contact your UPS Account Representative.

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Calendar

To view full calendar, [click](#).

[MDMA's 2019 Annual Meeting: Driving the Future of Healthcare](#)

Wednesday May 1, 2019 - Friday May 3, 2019

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[LaunchBio: Larger than Life Science](#)

Thursday May 2, 2019

... [read more](#)

[Durham Tech Molecular Biology Techniques](#)

Thursday May 2, 2019

... [read more](#)

[Durham Tech Cell and Tissue Culture Techniques](#)

Monday May 6, 2019

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[Durham Tech Molecular Biology Techniques](#)

Tuesday May 7, 2019

... [read more](#)

[NCBIO Life Science Forum: Diagnostics in the Age of Precision Medicine](#)

Wednesday May 8, 2019

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[NCRAF: Accelerating Clinical Research by Leveraging EHR Data](#)

Thursday May 9, 2019

... [read more](#)

[Durham Tech Molecular Biology Techniques](#)

Thursday May 9, 2019

... [read more](#)

[2019 State of Technology: Cyber Security](#)

Friday May 10, 2019

... [read more](#)

[BTEC Hands-On cGMP Biomanufacturing of Vectors for Gene Therapy](#)

Monday May 13, 2019 - Thursday May 16, 2019

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[Durham Tech Cell and Tissue Culture Techniques](#)

Monday May 13, 2019

... [read more](#)

[Durham Tech Molecular Biology Techniques](#)

Tuesday May 14, 2019

... [read more](#)

[BTEC Foundations of Downstream Processing and Formulation](#)

Tuesday May 21, 2019 - Thursday May 23, 2019

... [read more](#)

[BTEC Hands-On cGMP Biomanufacturing Operations](#)

Tuesday May 21, 2019 - Friday May 24, 2019

... [read more](#)

[RTRP State of the Region 2019](#)

Thursday May 23, 2019

... [read more](#)

[BIO 2019](#)

Monday Jun 3, 2019 - Thursday Jun 6, 2019

... [read more](#)

[Durham Tech Cell and Tissue Culture Techniques](#)

Monday Jun 3, 2019

... [read more](#)

[BTEC Chromatography Column Packing: Foundations and Applications](#)

Tuesday Jun 4, 2019 - Thursday Jun 6, 2019

... [read more](#)

[BTEC Fermentation Engineering](#)

Tuesday Jun 4, 2019 - Thursday Jun 6, 2019

... [read more](#)

[LaunchBio: Larger than Life Science](#)

Thursday Jun 6, 2019

... [read more](#)

[2019 Medical, Biomedical and Biodefense: Support to the Warfighter Symposium](#)

Wednesday Jun 12, 2019

... [read more](#)

[Biotech Manufacturing Safety Summit 2019](#)

Wednesday Jun 12, 2019

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