



# Iowa, U.S.A. ... Smart Strategies for Biotechnology Success

## IOWA AND THE BIOTECHNOLOGY REVOLUTION

Iowa is leading the biotechnology revolution with its raw materials, innovative minds and economic opportunities. Today, international firms already have significant investments in Iowa, benefiting from the state's natural biotechnology advantages. These companies are reshaping pharmaceutical, nutraceutical, food and agricultural products for a world in need.

Globally respected names in biotechnology — Cargill; Kemira; Pioneer, A DuPont Company; Monsanto — share the Iowa landscape with emerging new biotechnology companies such as Integrated DNA Technologies, Trans Ova Genetics and CombiSep. Pioneers in life sciences are at work in Iowa, preparing breakthroughs for better nutrition, higher-quality foods, life-saving medicine, and renewable industrial products.

Global firms and entrepreneurial organizations work closely with Iowa's outstanding research universities to develop and commercialize life sciences innovations. The long-standing partnership with government, education and business has made Iowa fertile ground for ideas that will propel the biotechnology industry in the 21st century.

## A WEALTH OF RAW MATERIALS

Iowa's rich resources provide a living laboratory for successful technology transfer for major corporations, top research universities and exciting start-up companies. Its abundant raw materials can fuel the discoveries that will save lives and improve living for millions of people. Here are some examples:

- Corn and soybeans contain amazing components that contribute to healthful diets for humans and animals.
- Processed foods derived from specialized Iowa crops lead the growing area of nutraceutical products to improve health.
- Soy isoflavons can reduce the risks of certain cancers, osteoporosis, menopausal symptoms and other conditions.
- Carotenoid compounds present in products such as corn and carrots show great promise for therapeutic and nutraceutical applications.

## INVESTING IN IDEAS

Iowa has put in place financial structures to help build the future for biotechnology. Infusions of capital into new and existing businesses can be acquired through several programs at the Iowa Department of Economic Development. The Venture Network of Iowa provides a bimonthly forum for Iowa entrepreneurs to interact with investors to forge long-term business relationships, particularly in life sciences and agriculture-related companies.

Recent legislation created greater access to venture capital by encouraging investment in new businesses. The "Angel Investor" and "Fund of Funds" venture capital programs show Iowa is "open for business" to the creative enterprises in biotechnology, as well as other growing industries.

- "Angel Investor" legislation created a 20 percent tax credit for investment in qualifying businesses.
- The Iowa "Fund of Funds" legislation mobilizes venture equity capital in Iowa. This legislation authorizes \$100 million in contingent tax credits to back financial commitments made by investors. The funds are then invested in new and expanding businesses in Iowa.
- The Iowa Value-Added Agricultural Products and Processes Financial Assistance Program speeds the rate of innovation in food and fiber products and encourages new ventures that produce such innovative solutions.
- The Community Economic Betterment Account/Economic Development Set-Aside Program (CEBA) provides financial assistance to companies that create new employment opportunities and/or retain existing jobs and make new capital investment in Iowa. Approximately 25 percent of available funds have been used to assist projects in the value-added agriculture and life sciences arenas.



*Iowa universities are at the forefront of the discovery and commercialization of biotechnology products.*