

Business

Universities help our region compete economically

CHRISTIAN JOHANSSON
Special to The Daily Record
March 7, 2008

In case you hadn't heard, the Baltimore Collegetown Network recently released the findings of a new report showing that the Baltimore area's colleges and teaching hospitals generate \$17.2 billion annually toward the regional economy. It goes on to say that these academic institutions are responsible for more than 162,000 jobs regionally. These are impressive numbers, and the region's strong base in education is one of the drivers of Greater Baltimore's overall economic surge over the past decade.

Let's put the region's academic institutions in a national context. In our 2007 Economic Development Progress Report, the Economic Alliance found that Greater Baltimore ranks 10th for college education attainment and fifth for advanced degrees awarded among the top 25 largest U.S. metro areas. With such a highly educated work force available, employment in the region is heavily concentrated in high-wage, rapid-growth jobs, such as computer science, bioscience, financial operations, management and engineering.

Centrally located schools such as The Johns Hopkins University and the University of Maryland are fueling the growth of biotechnology in the region via bioparks being built adjacent to both institutions' Baltimore campuses. Last year, in fact, Hopkins was ranked first in the country for research and development by the National Science Foundation.

Community colleges are getting involved as well. Anne Arundel Community College's Center for Workforce Solutions, for example, is helping to prepare workers for the coming growth of business, infrastructure development and hospitality work that is anticipated as a result of the Base Realignment and Closure (BRAC) process.

The Collegetown Network's study also recommended that the region's academic and business leaders look to areas such as North Carolina, Massachusetts and California to mirror the same kind of academia/business growth partnerships that have led to economic growth in these regions.

While there is more progress to be made in improving tech transfer and commercialization from the region's high-performing universities, there are also several reasons to be encouraged given our current situation.

According to our 2007 report on the region's biosciences industry, area bioscience leaders are optimistic that we can change our tech transfer standings. These leaders cited regional assets and opportunities for growth: the new research parks at JHU and UM; the change of culture at JHU evidenced by last year's appointment of a new 'czar' heading tech transfer who reports directly to the university president; recent private-sector successes among faculty; and the increasing realization within these universities that private industry is critical to the mission of bringing new discoveries to patients.

For venture capital firms, the culture at Hopkins in the past has been a perceived deterrent for investing money in the university's research and commercialization. Today, Hopkins is actively engaged in changing that perception and venture firms from around the U.S. are taking notice of this cultural thaw. The School of Medicine's Alliance for Science and Technology regularly holds meetings and invites research scientists to present their promising ideas to a group of distinguished investors. In August, the Department of Oncology and the Sidney Kimmel Cancer Center held their first bio investor conference. The conference sold out and drew an impressive list of venture capitalists, biotech and pharmaceutical executives.

Recently, InterWest Partners, a prominent West Coast venture capital firm, and the Wellcome Trust, based in London, invested \$20 million in Amplimmune, a Johns Hopkins startup. This venture capital funding is one of the largest ever early-stage investments in Hopkins history. Since 2000, 31 companies have been created based on Johns Hopkins technology and these firms have garnered more than \$400 million in investment.

Beginning with the cultural thaw, and extending to the biopark development, increased venture capital and the changes at the business school, strong forces are positively impacting Johns Hopkins' future as a center for translational medicine and commercial development.

In addition to tech commercialization and spinning off startup companies, the region's universities are busily preparing to meet the coming economic boost that BRAC is expected to produce. Morgan State University, for example, has expanded its engineering program to enable more students to prepare for the government jobs that demand the skills that BRAC is likely to demand.

The University of Baltimore has been adding new buildings — including a new 38,000-square-foot student center — to meet anticipated increases in demand and to complement its shift to offering four-year degree programs for full-time students. UB has also significantly raised the profile of its entrepreneurial business programs.

The region's strength in higher education can be traced, in part, to its strong performance at the K-12 level as well. According to Expansion Management magazine's 2006 Education Quotient, Greater Baltimore public schools placed third in the nation, driven by high-ranking suburban districts. In Newsweek's 2007 ranking of the top U.S. public schools, 28 of the country's 1,200 top-rated public schools were located in Greater Baltimore.

The region has one of the most highly educated populations in the nation, which is directly related to an increase in the number of new businesses. As education supports business growth, the regional business community has been an active player in helping current students maintain high standards and achieve educational pursuits to be better prepared for life after graduation.

The Maryland Business Roundtable for Education, for example, recruits several thousand business people each year to participate in its Achievement Counts campaign. These business volunteers enter ninth-grade classrooms statewide each fall to talk directly with students about the need to work hard now in order to succeed in the workplace — and in life — in the future. The program also introduces students to various career paths, demonstrating to them how their personal interests can turn into careers that involve those interests.

While reports like the Baltimore Collegetown Network's are encouraging, it is also important to take their recommendations for continued improvement into consideration. Greater Baltimore has come a long way over the past decade in economic development, and the region's K-12 schools, universities, colleges and teaching hospitals are a great part of that success.

Expertly crafted reports like this one are a step in the right direction, but it is up to the region's academic and business leaders to work in concert to continue to drive Greater Baltimore's growth and economic health in years to come.

(Christian Johansson is president and CEO of the Economic Alliance of Greater Baltimore.)