



CONTACT: Barbara Lindheim
GendeLLindheim BioCom
Partners
(917) 355-9234
blindheim@biocompartners.com

CONTACT: Sandra Baldino
BioAdvance
(215) 966-6218
sbaldino@bioadvance.com

FOR RELEASE JUNE 7, 2004, 7:00AM ET

BIOADVANCE SAYS REGIONAL INITIATIVES ARE ESSENTIAL TO FILL FUNDING GAP FOR EARLY STAGE BIOTECHNOLOGY

-- Organizes BIO 2004 Panel on Regional Life Sciences Economic Development Efforts --

San Francisco and Philadelphia – June 7, 2004 – BioAdvance, the Biotechnology Greenhouse of Southeastern Pennsylvania, has organized a blue ribbon panel to review the funding challenges facing emerging biotechnology enterprises and the role regional and state incentive programs can play to help meet those challenges. The panel, entitled, “Yes in My Backyard: Mobilizing Regional Resources to Grow Biotech Enterprise,” will take place at the BIO 2004 conference on Wednesday, June 9th from 2:15 – 3:45 PT at the Moscone Center in Room 2007 West.

“Over the past few years, the funding gap for fledgling companies has widened as traditional sources of biotechnology venture investment have focused on more established firms, but this does not mean that biomedical innovation has stopped; rather, this gap has created a huge latent demand for early stage capital,” said Barbara S. Schilberg, managing director and CEO of BioAdvance. “We are seeing this first hand in the greater Philadelphia region, where our investment initiatives have uncovered a large number of high quality opportunities with significant clinical and commercial potential. The good news is that the critical need for resources to support these early stage ventures is now beginning to be filled by publicly-supported regional and state mechanisms like BioAdvance.”

The panel at BIO will bring together government representatives and biotech executives to discuss the needs of emerging companies and the role government initiatives can play. Panelists include Dennis Yablonsky, Secretary of the Pennsylvania Department of Community and Economic Development; John Osborn, Senior Vice President and General Counsel of Cephalon; John Crowley, CEO of Orexigen Therapeutics and Chairman of Cytovance Biologics; and Joel Marcus, CEO of Alexandria Real Estate Equities, a firm that owns and manages office and laboratory properties for biotech and pharmaceutical companies nationwide. The panel will be moderated by Kevin Davies, Editor-in-Chief of Bio-IT World.

“My experiences heading up a regional greenhouse and now overseeing economic development efforts at the state level have convinced me that government initiatives can play an essential role in supporting the growth of life science enterprises -- the key is to create the right mix of programs and incentives reflecting conditions in the region and to be willing to experiment with new ideas and novel approaches,” said Dennis Yablonsky, secretary of the Pennsylvania Department of Economic Development, and a “YIMBY” panel member. “In our state, we are achieving success with a variety of programs that range from helping entrepreneurs build new

BIOADVANCE SAYS REGIONAL INITIATIVES ARE ESSENTIAL TO FILL FUNDING GAP FOR EARLY STAGE BIOTECHNOLOGY

Page 2

companies based on promising academic research to inducing well-established firms to relocate to Pennsylvania."

BioAdvance is using its \$33.8 million share of the Commonwealth's tobacco settlement monies to fund several unique programs to attract and support emerging companies in the greater Philadelphia region and to help translate academic initiatives into successful commercial enterprises. These programs include:

- Providing seed money investments and technical support directly to entrepreneurs through the \$20 million BioAdvance Greenhouse Fund.
- Partnering with an established venture capital firm to create a BioAdvance-sourced fund investing in local emerging companies.
- Coordinating clinical trial resources from multiple regional academic medical centers to enable "one-stop shopping" for clinical researchers – details to be unveiled later this summer.
- Organizing and helping to fund a regional bioinformatics alliance creating a "Virtual Institute" linking industry and academic biomedical computational resources.
- Helping to implement Pennsylvania's innovative venture guarantee fund.

"Next year the BIO annual meeting will be held in Philadelphia," said Gary J. Kurtzman, M.D., managing director and COO of BioAdvance. "This is why it's particularly timely for BioAdvance, as a Philadelphia-based organization that is pioneering a variety of innovative programs to support the growth and development of life sciences enterprise, to encourage a national dialogue on these issues."

About BioAdvance

As a critical part of a \$2 billion initiative by the Commonwealth of Pennsylvania to simultaneously support life sciences technologies and stimulate the economy, BioAdvance received \$33.8 million from the State's share of the tobacco settlement monies to accelerate the creation of life sciences jobs and businesses in Southeastern Pennsylvania. BioAdvance will accomplish this goal through its key funding program, the Greenhouse Fund, and other initiatives to link entrepreneurs to the region's wealth of resources. For information about BioAdvance, please visit www.bioadvance.com.

###