

NEWS RELEASE

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Pittsburgh Life Sciences Greenhouse Demonstrates a Region's Economic Resilience

*A model for economies feeling the effects of the current recession around the world,
Pittsburgh grows a portfolio of companies to address healthcare needs*

Pittsburgh, September 23, 2009 – As the world converges on Pittsburgh and Western Pennsylvania, the first thing the international visitors notice are clear skies and the lack of the traditional, stereotypical images of smokestacks lining the city's three rivers. Instead, they are greeted by a region that for the past two decades has successfully transformed itself from a manufacturing economy to a service economy centered on the development and commercialization of advanced technologies, energy and the life sciences.

A cornerstone to this evolutionary process and visible evidence of the region's economic makeover has been the Pittsburgh Life Sciences Greenhouse (PLSG), which in a brief few years has worked with nearly 300 companies and has committed 121 direct investments in 60 companies, totaling \$14.7 million. But the larger story is that those direct investments have already been leveraged into \$500 million in additional capital fueling regional economic growth. In the past year alone, 10 percent of PLSG portfolio companies have raised \$50 million, and another 10 percent are actively seeking a collective \$20 million.

"One of the major reasons President Obama selected Pittsburgh to host the G-20 was to showcase to world leaders a strong example of the new economy," said John W. Manzetti, PLSG President & Chief Executive Officer. "Pittsburgh's story is all about possibilities. And a critical component to the story of the region's economic resurgence has been the role the life sciences and biotechnology have played in driving capital investment and employment growth."

Since its formation in 2002, the PLSG has existed to provide capital investments and customized company formation and business growth programs to western Pennsylvania's life sciences enterprises. The organization has propelled the growth of western Pennsylvania's life sciences economy with a focus on investment in the commercialization of promising life sciences technologies.

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Summary of PLSG Accomplishments to Date:

- The PLSG has invested **\$14.7 million** directly into **60** companies to help leverage over **\$500 million** in additional capital.
- The PLSG has assisted nearly **300 clients/companies** through its Executive-in-Residence program.
- The PLSG has invested **\$15.2 million** in venture capital funds to help leverage an additional **\$110 million** in total funding.
- The PLSG's SBIR Advance program has assisted nearly **100** companies with their federal grant strategies. To date, these companies have received over **\$18 million** in federal grant funding.
- The PLSG has provided **27** early stage companies and venture capital and life sciences organizations with office and laboratory space in its incubator.
- The PLSG has assisted **13** life sciences companies with relocating to the region and is working with other companies to establish operations in western Pennsylvania.
- The PLSG has leveraged **\$2.4 million** in federal grant money to help provide core and customized workforce training to over **6,000** trainees since September, 2005.
- The PLSG has helped create **5,000** jobs directly/indirectly including university faculty and facilities. *(300+ jobs created in invested companies and 1,000+ jobs in PLSG active companies/clients)*
- **30 executives** have participated in the PLSG EIR program: **7** are currently active with PLSG and **20** former EIRs remain in the region.
- The regional life sciences company formation rate has increased from 2-3 per year to **15-20** new companies per year.

About the Pittsburgh Life Sciences Greenhouse (PLSG)

The Pittsburgh Life Sciences Greenhouse (PLSG) provides capital investments and customized company formation and business growth services to western Pennsylvania's life sciences enterprises. The PLSG supports biosciences companies with promising innovations in the following concentrations: Biotechnology Tools, Diagnostics, Healthcare IT, Medical Devices and Therapeutics. The PLSG is propelling the sustainable growth of the region's life sciences economy by accelerating research and technology commercialization with seed and early-stage companies; connecting investors with their Investment Portfolio companies; expanding established life sciences ventures and relocating biomedical companies to Pennsylvania. For more information, visit www.plsg.com.

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