

POSITION STATEMENT

**Montgomery Biotechnology Investment Incentive Tax Credit - Funding
Montgomery County Council
November 15, 2011
Support**

The Tech Council of Maryland (TCM), a non-profit membership organization with over 400 technology and biotechnology member companies who employ more than 200,000 people in our region, strongly supports Montgomery County's Biotechnology Investment Incentive Tax Credit and urges the Montgomery County Council to support funding the program.

During these difficult economic times, it is important that the public sector and private sector partner to create high quality jobs. The Montgomery County Biotechnology Investment Incentive Act is one such example. Appropriating money for this program will help create and retain good jobs in Montgomery County. The average salary for people employed in biotechnology is as much as \$90,000 a year and requires highly skilled, educated workers. Keeping and creating these jobs in Montgomery County is important, especially during a time where the economy is struggling.

The existing Maryland tax credit has been a great success in helping early stage biotech companies secure needed capital to grow their businesses. Starting a biotech company is very risky and capital intensive, so such incentives often are the difference between success and failure. It takes a number of years for a biotech company to go through its development stages before bringing a product to market. During this process, a biotech company typically requires significant investment to survive before products are brought to market and a profit can be realized. The business model is one of high risk and high reward. Incentives like these help nurture companies that create family-supporting jobs that are vital to Montgomery County's long-term economic development efforts.

Again, the Tech Council of Maryland urges the Montgomery County Council to support funding the Montgomery County Biotechnology Investment Incentive Act.