

UF Spin-Offs Boost Florida Economy By A Half Billion Dollars Annually

Companies based on University of Florida technologies contribute nearly half a billion dollars to Florida's economy annually, according to an analysis by UF's Center for Building Better Communities.

The study, commissioned by the UF Economic Development Administration University Center, analyzed the 2003 revenue of 61 companies with connections to UF, according to project manager Rhonda Phillips.

Phillips — who directs the Center for Building Better Communities in UF's College of Design, Construction and Planning — analyzed records from UF's Office of Technology Licensing and garnered additional information from 34 of the companies that responded to a survey. She fed all the data into a well-known economic impact modeling software called Implan to calculate the direct, indirect and induced impact.

Direct impact includes sales, jobs and income generated by the companies. Indirect impact is the economic activity generated by businesses selling goods and services because of the presence of the UF-connected companies, and induced impact is the economic activity generated from spending by employees of those companies.

The 2003 direct impact of the companies was measured at \$186.2 million. Indirect and induced impacts totaled another \$270 million, for a total impact of \$456.2 million. The analysis also indicated direct employment of 921 people, Phillips said, and total employment — direct, indirect and induced — of 1,925 jobs in Florida.

"For every dollar of revenue generated, another \$1.44 is generated in the Florida economy," Phillips said. "And for every job created by these companies, another 1.08 jobs is created in the

Florida economy."

Win Phillips, UF's vice president for research, said the analysis confirms that university technology transfer is a significant contributor to the Florida economy.

"As the university continues to evolve in the 21st century, its role in helping position Florida as a high-tech powerhouse will be even more important," Win Phillips said. "An emphasis on science and research will increasingly make the state a preferred destination for technology workers and other 21st-century professionals."

David Day, director of the Office of Technology Licensing, said that until recently UF technologies were licensed primarily to major corporations.

"But many major corporations have chosen to let smaller start-ups lay the groundwork for new technologies, with an eye toward acquiring the most successful of those companies," Day said, so beginning in 2001 the university also concentrated on licensing its emerging technologies to start-up companies that could nurture the science. Since then the number of new licenses has grown dramatically, from eight in 1999 to 64 in 2003, with more than 20 percent of them being to new or existing UF start-ups.

Many of those start-ups are in the biotechnology field, and several have reported great successes recently.

Applied Genetic Technologies Corp., or AGTC, a start-up based at the university's Sid Martin Biotechnology Development Incubator that is developing gene therapy treatments using a technology developed at UF received more than \$15 million in venture capital funding in late 2003 and recently entered into a major research agreement with biotech giant Genzyme

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Corporation. AGTC currently employs 14 people and anticipates adding more.

In December 2004, the Food and Drug Administration cleared the way for Oragenics, another UF startup, to begin human clinical trials on a gene-related treatment for tooth decay. Oragenics recently outgrew the local biotech incubator with 19 employees and moved into its own building nearby.

Both of these companies have received assistance from the UF EDA University Center, which is housed in the Office of Technology Licensing.

"The study was funded in an effort to help people understand the value tech-based economic development can have on our community and our state," said program coordinator Terry Lemesh.

Florida Gov. Jeb Bush praised the economic impact results and UF's efforts to grow biotech companies.

"It's vitally important that we continue our efforts to help start-up companies get technologies from the university laboratories to the marketplace to strengthen Florida's economy," Bush said.