

Altmire Holds Hearing on Improving Small Businesses' Ability to Advance Medical Research

(Washington, DC) - U.S. Congressman Jason Altmire (PA-4), Chairman of the House's Small Business Subcommittee on Investigations and Oversight, today held a hearing to examine how Congress can strengthen the unique role small businesses play in advancing medical research. In recent years, a growing number of medical research firms have taken root in western Pennsylvania, both expanding the local economy and taking on key research projects to improve public health.

Today's hearing focused on the crucial role the Small Business Innovation and Research (SBIR) program plays in providing funding to help small firms conduct medical research. Jo Anne Goodnight, the SBIR/STTR Program Coordinator for the National Institutes of Health, and a panel of small business owners - including Mel Billingsley, Ph.D., President and CEO of Life Sciences Greenhouse in Harrisburg, PA - testified about how SBIR funding could be improved to help small firms bring their medical breakthroughs into the marketplace.

"Small businesses engaged in medical research are playing a critical role in western Pennsylvania's transformation from the Rust Belt to the Tech Belt," Altmire said. "Not only are these firms helping to stimulate our region's economy, they are also developing medical breakthroughs that can improve quality of life for millions of Americans. We need to make sure that the SBIR is effectively directing capital to these firms throughout the research process, so that they have the resources needed to fully develop medical advances that can improve Americans' lives."

Western Pennsylvania boasts some of the best medical research and development in the nation, and last year the state brought in nearly \$75 million in SBIR grants, ranking ninth nationally. RedPath Integrated Pathology, a small company based out of Pittsburgh, Pennsylvania, was awarded an SBIR grant that enabled it to complete and validate key aspects of a molecular-based test that could facilitate earlier, more personalized, and more definitive cancer diagnosis.

This research enabled RedPath to rapidly introduce PathFinderTG, a diagnostic tool that is now being used to combat one of the leading diseases affecting the American public. It also spawned an enterprise that created more than 40 highly-skilled jobs in four years, with a promise of doubling its growth in 2008.

"Many Pittsburgh businesses like RedPath offer prime examples of how the SBIR program can turn an innovative idea into a tool for economic growth," Altmire said. "To promote even more economic growth throughout our region in the future, it is important to investigate how SBIR grants can be used more effectively to support innovative research and spur job creation."

One of the challenges currently facing firms using SBIR funding is the fact that firms must attract private capital to manufacture and market their medical discoveries. This can result in a so-called "valley of death" period - a time when start-up capital has run out and there is nothing left to help commercialize small firms- breakthroughs.

"As Congress prepares to reauthorize the SBIR program, we will continue to look for ways to ensure firms can access the capital they need to translate their advances in medical research into products that improve people's lives," Altmire said. "Improving SBIR funding could help several local firms grow and become even more effective engines for economic growth in western Pennsylvania."

This hearing is Congressman Altmire's latest action in his efforts to facilitate western Pennsylvanian's transformation from the Rust Belt into a Tech Belt, a major center for research and development projects. In October, Congressman Altmire held a forum in with Congressman Tim Ryan (OH-17) in Youngstown, Ohio to talk about how institutions in Cleveland and Pittsburgh can work together more effectively to capitalize on the region's intellectual and financial resources and draw new businesses to the area.