FOR IMMEDIATE RELEASE
MARCH 27, 2009

CONTACT: ROB GRAY, GRAY MEDIA
(617) 305-4160
gray@graymediagroup.com

REGIONAL BIOTECH ASSOCIATION WARNS VERMONT LEGISLATION COULD HAVE PROFOUND NEGATIVE IMPACT

--Shumlin Promoting Senate Bill S. 48 Today; Will Thwart Burgeoning Biotechnology Industry, Costing Jobs and Research Funds in Vermont--

The region's largest biotechnology association today warned that a bill under consideration by the Vermont Legislature will create the most restrictive and onerous regulatory environments for biotechnology growth and development not only in New England, but in the entire nation. Senate Bill 48, an Act Relating to the Marketing of Prescribed Products, is the focus of a presentation today at the State House by Senate President Peter Shumlin.

"The Legislation's radical expansion of Vermont's existing and strict biopharmaceutical marketing laws promises to hinder significantly the development of the biotechnology industry in this state," said Paula Newton, Chair of the New England Biotech Association (NEBA).

NEBA serves as the regional policy and public affairs voice for the biotechnology and biopharmaceutical community, representing state biotech associations, companies, academic institutions, and other organizations consisting of more than 800 entities.

Vermont law already heavily regulates biopharmaceutical marketing activities by requiring the disclosure of the value, nature and purpose of certain marketing related expenses by pharmaceutical manufacturers of just $25 or more in value, among other things. The bill would expand existing regulation by limiting compensation and other payments between biopharmaceutical manufacturers and physicians - including educational materials. And it would broadly expand already onerous disclosure requirements to include competitively sensitive information concerning clinical trials.

Furthermore, IMS Health this month reported that annual U.S. prescription sales growth was just 1.3 percent in 2008, the lowest rate since 1963, according to data maintained by CMS—making the stated purpose of the Legislation, controlling drug costs, moot.

"With the enactment of these over-the-top restrictions, Vermont's pharmaceutical marketing law will be far more severe than those of any other New England state. Such a uniquely sweeping expansion of the regulatory climate in Vermont will have a chilling effect on the growth of the industry in this state," said Newton. "These requirements would certainly discourage biotechnology manufacturers from participating in clinical trials and academic research in Vermont, since reported information would include competitively sensitive and proprietary information, making it more prudent to conduct research in one of the 49 other states," she continued. "We urge reasonable elected officials who care about future jobs and the health care system in Vermont to reject this legislation."

Two other states, Colorado and New Mexico, have recently rejected marketing restriction legislation far less extreme than the Vermont bill as bad policy with unintended negative consequences for the life sciences industry and the jobs it produces

NEBA is a non-profit, member-driven organization comprised of state biotech associations, companies, academic institutions, and other organizations with a collective mission to support and grow the biotechnology industry in New England. NEBA serves as the regional policy and public affairs voice for the biotechnology and biopharmaceutical industry, and is committed to ensuring that New England remains a global leader in biotechnology and the life sciences.

NEBA members include the largest biotech associations in those states, including the Biotech Association of Maine, Connecticut United for Research Excellence (CURE), New Hampshire Bio/Medical Council, Rhode Island BioGroup, Massachusetts Biotechnology Council, Massachusetts High Technology Council, and the Biotech Association of Vermont (in formation).

To find out more about NEBA, visit www.newenglandbiotech.org

# # #