



CaliBaja Moving Forward Together ***CaliBaja Avanzando Juntos***

Takeaways from meeting on Expanding Opportunities in CaliBaja's Biotech Ecosystem

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San Diego is considered the third most advantageous region in life sciences nationwide. Its regional advantages include its access to cross-border economies, favorable government policies, enabling institutions, high startup activity and available capital. San Diego County received 22% of California's National Institutes of Health (NIH) funding for scientific breakthroughs. The life sciences industry has a local economic impact of \$41.3 billion dollars and accounts for over 175 thousand jobs. 60% of these jobs do not require a college degree and provide access to well-paid, entry level positions that can enable workers to continue their education.

The La Jolla Institute for Immunology (LJI) engages in a world-class biomedical research program focused on the immune system to contribute to the betterment of human health. Some of its critical breakthroughs include developing a vaccine that prevents heart disease, identifying ways to activate cancer fighting immune cells within the body, and finding vaccines that will bestow lifetime immunity. It is ranked fifth worldwide on scientific impact in its field. Its federal grant funding per faculty is \$2.67 million dollars, almost triple the national average. At least 15 Mexican researchers and staff work at LJI at any one time.

Insulet Corporation, headquartered in Massachusetts, started operations in Mexico in September 2018 and opened an office in Tijuana in November 2021 while continuing its operations at their innovation center in San Diego. Insulet is an innovative medical device company dedicated to making the lives of people with diabetes and other conditions easier through the use of its Omnipod product platform. Its Mexican office has a staff of 250 individuals contributing to mobile software development, cloud development, user experience design, testing engineering, data science, and design quality assurance engineering.

Biocom California is a statewide association of life science companies advancing advocacy, community building, access to capital and partnering, a savings portfolio, and talent development to accelerate its members' success. Biocom has strategic global presence and partnerships to connect its members to life science communities around the globe.

The integration of cross-border economies provides multiple opportunities to advance the biotech sector in CaliBaja. For instance, the LJI identified opportunities in university collaborations, infectious disease sample collection and characterization (especially regarding zika and dengue), cross-border biotech sponsored research, and education and sabbatical research by facilitating the participation of Mexicans in



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their SPARK Program. The Consulate General of Mexico in San Diego and UC San Diego’s Center for U.S.-Mexican Studies suggest strengthening cross-border integration by expanding Biocom’s membership to include firms based in Baja California.

Mexico provides favorable conditions to advance cooperation in this matter. The development of the biotech industry can directly contribute to federal goals of self-sufficiency. Baja California’s state government acknowledges the sector’s talent development and cost-efficient manufacturing as policy priorities. Mexico’s strategic position as the gateway to Latin American markets provides a unique opportunity for companies on both sides of the border. U.S. companies and workers have increasingly been looking south as the result of the pandemic.

A central challenge to advance the biotech sector in the CaliBaja region is the harmonization, knowledge, and compliance of worldwide regulations by companies in Mexico. While the geographic concentration of biotech firms in San Diego fosters collaboration among themselves, it also tends to hinder integration with their counterparts in Baja California. Better cross-border communication will be crucial to advance a joint strategy, harmonize regulations and navigate current ones, which will increase regional competitiveness.

San Diego will host the 2022 BIO International Convention (BIO) on June 13-16. Mexican firms will participate at the convention for the first time. BIO is the world’s largest advocacy association representing member companies, state biotechnology groups, academic and research institutions, and other related organizations across the U.S. and over 30 countries. This can be a key opportunity to consolidate cross-border networks, establish mechanisms to share information, and jointly advocate for the necessary conditions to face the challenges in CaliBaja’s biotech sector.

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