

December 12, 2016

President Barack Obama
The White House
1600 Pennsylvania Ave, NW
Washington, DC 20500

Re: H.R. 6: “The 21st Century Cures Act” – SUPPORT

Dear President Obama:

Please accept this letter in **strong support of House Resolution 6 (H.R.6)**, titled: “21st Century Cures Act,” which seeks to aggressively promote applied translational research in America’s world-leading life sciences fields.

H.R.6 will, among other things, establish the “Cures Innovation Fund” within the National Institutes of Health (NIH) to direct funds for biomedical research, including for high-risk/high-reward research and for bio-related research conducted by early-stage investigators. In addition to the life-saving medical discoveries and breakthroughs likely to result from the “proof-of-concept” funding provided under H.R.6, we believe this critical early-stage funding will generate new businesses, jobs, and entirely new industries within America’s research- and production-based bioscience industries. Accordingly, we respectfully urge you to sign this bill into law.

Here in Los Angeles County, we are committed to growing our bioscience industry. With world-leading regional research institutions in health sciences; with more than 10 NIH-funded research centers; and with one of the nation’s most developed public healthcare systems (a \$3.5 billion enterprise with a network of outstanding hospitals and outpatient facilities), we believe L.A. County has all the necessary assets to successfully build a globally relevant presence in this highly-specialized industry. Accordingly, we have made it a Los Angeles County imperative to build out this industry, activating an agglomerated effort that brings together government, industry, education, economic development and other sectors to buildout the research, talent, physical space and funding capacities in L.A. County.

However, in order to be competitive globally, Los Angeles County – like many U.S. regions – must address the dearth of bio-directed capital, particularly at the proof-of-concept, seed and early stages of research and development. Exacerbating our regional (and national) capital challenges, bioscience technology is most often at pre-commercialization stage, so even when potential funding is identified, the innovation may still be in its raw form, as it was constructed in the laboratory with little work having been done to determine whether the technology is a “solution looking for a problem” or if a commercially relevant problem has been identified. Many early-stage private capital providers simply lack the “risk tolerance” and technical expertise needed to evaluate the risk at this stage, and, as a consequence, most regions chronically under-invest in early stage bioscience technologies. This “risk capital” has traditionally been provided by NIH, along with other federal grants, e.g., SBIR/STTR. However, after years of decreasing NIH budgets for essential applied research, we have not kept pace with the growing demand for bio-based innovation.

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H.R. 6 will help fill this critical funding gap by increasing NIH-directed funding to worthy research by an additional \$4.8 billion over the next 10 years. The importance of this added funding for L.A. County and the nation's bioscience industry cannot be overstated.

Here in L.A. County we're doing our part to foster regional growth in this industry. But, we can use some federal help at the early-stages of the bioscience research and development value chain. For these reasons, we respectfully urge you to sign the 21st Century Cures Act (H.R.6) into law.

Sincerely,

David Flaks
President and Chief Operating Officer
Los Angeles County Economic Development Corporation (LAEDC)