



WisBusiness: Study finds clinical trials pump big dollars into state

6/14/2012

By Brian E. Clark
For WisBusiness.com

Clinical drug trials in Wisconsin are pumping hundreds of millions of dollars into the state's economy and directly support tens of thousands of high-paying jobs, according to a study released today by PhRMA, a national trade group representing pharmaceutical companies.

Wisconsin has only 2 percent of the country's population. But scientists are conducting nearly 10 percent of these studies in the Badger State because of the expertise at research centers such as UW-Madison, the Marshfield Clinic and the Medical College of Wisconsin, said Jeff Trewhitt, a senior director at PhRMA, told a BioForward gathering.

According to a report by Archstone Consulting, biopharmaceutical companies paid \$350.3 million to 43,000 employees working on trials in 2008, the most recent year for which figures are available. That resulted in more than \$16 million in state taxes and another \$78 million for federal coffers.

Because the state's biotech industry has held up well during the recession, BioForward executive director Bryan Renk said those numbers have probably increased by at least 20 percent over the past four years.

Trewhitt said biopharmaceutical research firms also invested \$114.2 million in research and development and supported \$8.3 billion in products and services in the state.

Those numbers pleased state Assembly Speaker Jeff Fitzgerald, who attended the BioForward meeting.

"We're talking about thousands and thousands of good-paying jobs with these clinical trials," he said. "For legislators, it's all about job creation in this state. This report shows how this can really improve our economy.

"These jobs produced \$16 million in state taxes," he added. "That's what we are looking for to boost our economy. It's very difficult to just cut your through deficits, so we need to grow jobs and industries."

Drug trials are scattered around the state and Fitzgerald urged BioForward members to let their legislators know about their efforts.

"A lot of times we don't even know there is a business in our district," he acknowledged.

To boost support of these drug studies, a new group called CTEN (for Clinical Trials Education Network of Wisconsin) was unveiled at the meeting.

Kristin Martinez, an administrator at the Marshfield Clinic Research Foundation, said CTEN will focus on educating the public and elected officials about the benefits of drug trials to the health care industry and to the economy.

Trewhitt, himself a cancer survivor, said more than 2,000 clinical trials have been conducted in the state since 1999 by drug companies working with local researchers.

He said more than half the drugs tested have been aimed at the most debilitating chronic diseases, including asthma, diabetes, stroke, cancer, mental illness and heart disease.

"The report shows substantial evidence that clinical trials of new medicines have been good not only for patients, but the state's economy and the advancement of science," he said.

Wisconsin is a major player, he said, with nearly 1,000 of the studies conducted in the Milwaukee area, 753 in Madison and more in other communities around the state.

He predicted this number will continue to grow. But he said some trials have been delayed because of lack of enrollees. And he said researchers have a hard time signing up Latinos and African Americans.

Among blacks, he said this is due to a lack of African-American clinicians and because of the legacy of the Tuskegee Syphilis Study. This notorious experiment was conducted between 1932 and 1972 in Alabama by the U.S. Public Health Service to study the natural progression of untreated syphilis in poor, rural black men who thought they were receiving free health care from the U.S. government.

In an answer to a question, Trewhitt said he is also concerned that state legislators around the country may make cuts in Medicare funding and reduce funding for drug benefits and lead to a reduction of drug research efforts.

"Patients need a wide range of options," he said. "Unfortunately, because of state budget shortfalls, there is an inclination to dramatically cut drug benefits."