Request for Proposal

FocusMaine Feasibility Study

1. **FocusMaine Project Overview**

FocusMaine is a nonprofit, nonpartisan group of experienced Maine leaders committed to growing 20,000 – 30,000 jobs over the next decade in direct traded sectors and associated support jobs, in biopharma manufacturing, aquaculture and agriculture – each a carefully identified segment where the state could offer economic, geographic, natural resource, workforce and lifestyle advantages to emerging and growing companies.

With southern Maine’s close proximity to the global biopharma center of gravity in Cambridge / Boston, the FocusMaine Biopharma Implementation Team is seeking a consultant to work with them in its mission to be a catalyst in accelerating growth in this sector. A detailed description of tasks and deliverables required of the selected consultant follows in Section IV.

The Biopharma Implementation Team recognizes, after input from McKinsey & Company as well as its own due diligence, that efforts to attract manufacturing jobs in this sector must be grounded in a more granular identification and detailed understanding of potential niche biopharma opportunities, required workforce and educational backgrounds, as well as siting considerations, public policies and incentives examined against competitive challenges. The selected consultant will work with the Biopharma Implementation Team and the FocusMaine Leadership Team on these and other issues. At the conclusion of the project, the data will be combined into a report determining the feasibility of implementing an action plan attractive to the biopharma industry.

It’s worth noting that the team considers this initiative a long term effort, and expects any biopharma related development, manufacturing, or service ‘wins’ may initially be of modest size, scaling over time.

The Biopharma Implementation Team includes representatives from organizations including WEX, The Jackson Laboratory, IDEXX, The Boulos Company, Masthead Venture Partners, Key Bank, Bangor Savings Bank, Planning Decisions, and SMRT Architects / Engineers.

1. **FocusMaine Background**

In 2014, a group of experienced Maine business leaders organized FocusMaine to identify, and grow over a decade, two or three signature industries in Maine to expand the state’s economic opportunity and prosperity. The effort, led by co-chairs Michael Dubyak, chairman and former CEO of WEX (NYSE: WEX), and Andrea Cianchette Maker, partner at Pierce Atwood LLP, is bolstered by more than two dozen leaders in business, investment, entrepreneurship, education, economic development, business associations, real estate and economics serving on the FocusMaine leadership, advisory and implementation teams.

The FocusMaine Leadership Team, in addition to its co-chairs, includes leaders from Harvard Business School, Maine Health, the Dead River Company, TD Bank, IDEXX, the Maine Community College System and Baker, Newman and Noyes .

FocusMaine’s objectives are to create quality jobs (i.e. good wages, skill development and career opportunities) within a few select traded clusters that have high growth potential based on global growth projections and Maine’s competitive advantages in those sectors. Our focus is on traded clusters that primarily sell products and services outside of the state to increase wealth in the state. Employment created in traded industries have higher rates of full-time work, pay 50% higher wages, and each new job in a traded industry creates an additional 1.6 new jobs in the local industry onaverage1. Maine has a lower share of traded jobs than the US and that share is declining. Maine would need 35,000 more traded jobs to match the national average.

To create a foundation for success, the FocusMaine Leadership Team developed a well-researched analysis of opportunities and filtered its selection through criteria to grow meaningful jobs and dense supply chains which increase exports. Using a competitive Request for Proposal process, FocusMaine hired the global consulting company McKinsey & Company in April 2015 to conduct an in-depth analysis of global trends and market opportunities, Maine's industrial competitive advantages and weaknesses related to those opportunities, and on-the-ground perspectives from Maine business leaders, economic thought leaders, investors, entrepreneurs and policy makers. Based on McKinsey’s recommendations of Maine’s most promising economic sectors, the FocusMaine Leadership and Government Advisory Teams, with input from many stakeholders around the state, chose two focus sectors offering the highest potential for growth and employment expansion in Maine: biopharmaceutical development and manufacturing and traceable foods, divided into agriculture and aquaculture.

1. **Biopharma Initative Background**

The New England biopharmaceutical cluster, centered around research and financing in Cambridge / Boston (almost $4B in private R&D and ~$1.2B in VC funding), is comprised of leading research institutions, pharmaceutical companies, contract manufacturers, sources of capital, and suppliers – the high degree of mutual support and knowledge sharing between these players creates a true cluster. While the cluster is centered in Cambridge / Boston, production is migrating out from that center as development, manufacturing, or services in the congested Greater Boston area becomes more difficult and expensive.

Given that biopharmaceutical production tends to locate within a couple hours drive from research and development work, Southern Maine is geographically positioned to become a downstream developer and manufacturer in this innovative industry, without competing against the world. However, northern RI, southern NH or western MA also offer similar geographic benefits to develop downstream opportunities upon Boston innovation. With tight corporate and contract manufacturing capacity, an expansion in development and manufacturing capacity is expected within the next 2-3 years, with as many as 20-30 production facilities in the global pipeline. Locating even one or two of these facilities in Maine could significantly benefit the Maine economy in job creation, innovation and biotechnology cluster development.

Maine may have a window of opportunity to become part of Boston’s expanding life sciences cluster. By focusing on Maine’s competitive advantages in manufacturing, lifestyle and costs, there are opportunities to draw development, manufacturing, or services operations to the state. However, a well-informed, proactive and specific approach will be required. Biopharmaceutical firms utilize sophisticated decision making processes when deciding upon development, manufacturing, or services locations. Maine needs to determine the critical driving factors for location expansion, assessed against Maine’s assets, and develop compelling packages to be perceived as competitive.

This project seeks to investigate the feasibility of attracting investment to the to create highly focused informative pitch materials and formulate a coherent strategic plan for attracting 2-3 expansion investments in the short term and continued cluster elements developed over the longer term.

Our goal is to provide the information necessary to determine the feasibility of attracting biopharma development, manufacturing, or services, define the assets required to be or become competitive in the attraction process and, if determined to be feasible, develop a specific strategic plan to build significant related cluster elements in Maine, leading to longer term effects up the value chain (i.e., research, workforce training) of biotechnology in the state.

Specific Request For Proposal Deliverables:

1. Identify 2-3 niche biopharma opportunities where Maine could develop an advantage and/or entry point into this long term emerging market.
2. Identify the education programs and resources needed and which educational institution(s) that could produce the graduates with the right background for this niche
3. Identify the relevant siting issues for the selected niche(s) and sites in Southern Maine that are the most promising to accommodate the niche opportunities identified
4. Identify the specific incentives and associated public policy initiatives targeted to the selected niche opportunities
5. Identify our competition for this niche(s) and build a persuasive case for Maine against their attraction elements
6. Identify and
   1. define an overall marketing strategy
   2. construct content of pitchbook including pressure points, key messages and communication vehicles
   3. recommend selection of marketing arm
   4. define marketing tactics
7. Prepare a presentation and accompany FocusMaine to Augusta, ME for 2-3 meetings with the public sector select representatives to determine the feasibility of supporting the specific public policy incentives
8. Identify the number of companies within the selected niche required to properly test feasibility goals.
9. Accompany FocusMaine to the selected niche test companies over a 3 day period
10. Cost:
    1. For our budget of $50,000 which items might you exclude?
    2. How much to achieve the entire list?
11. Delivery/Timing of Report
    1. When could you deliver a final report?
12. Please provide at least two references
13. Questions regarding the proposal may be directed to:

Sterling Kozlowski

KeyBank

207-874-7298 or at **sterling.kozlowski@key.com**

1. Return your Proposal by 1/15/2017 to:

Sterling Kozlowski

**sterling.kozlowski@key.com**