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Stem cell research can spur economic growth, researcher says

By [Tom Henderson](#)

With a projected market for regenerative medicine of \$500 billion by 2020 in the U.S. alone, states are right to fund economic programs targeting stem cell research and biotechnology, but politicians can't be short-sighted by demanding short-term payoffs.

That was the message delivered Tuesday afternoon at the sixth annual World Stem Cell Summit in downtown Detroit by Dan Gincel, director of the **Maryland Stem Cell Research Fund**, which was created in 2006 and has awarded \$68.4 million in 180 research grants in its first four years.

"You look at that number (\$500 billion), and it makes sense that this is the way you want to grow your economy," he said. "But when you talk to legislators and politicians, they want to see results in four years. They don't want to look at results in 10 years. Ten years is too late for them."

So Gincel looked at short-term benefits for his program.

He said that after just two years, investments by his fund had directly led to the creation of 500 jobs and had an indirect economic impact to recipients of \$71 million. They also led directly to \$2.7 million in increased tax revenue.

Also speaking at the panel on stem cells and regenerative medicine as an engine for economic growth, Allen Goodman, an economist at **Wayne State University**, told the audience about an economic impact study he put together in 2008 on the potential benefits if Proposal 2 was passed by voters in Michigan to allow stem cell research.

He said that if stem cell research had just a 1 percent impact on the 50,000 biotech jobs in the state before the proposal's passage, that would translate into 797 jobs and \$51 million in increased payroll.

He said those numbers were conservative and didn't include numbers for lost jobs or decreased payroll had the proposal not passed and researchers left for jobs in other states.

Goodman said he couldn't quantify any numbers since the proposal passed, but there has been substantial benefit in federal grants, if nothing else.

In October 2009, the **University of Michigan** got \$6.8 million in stimulus money for 13 stem cell projects, and in May, a **TechTown** tenant, **MitoStem Inc.**, got a \$200,000 grant to improve the process by which adult stem cells are tricked into becoming what are known as pluripotent stem cells, which are very similar to embryonic stem cells.

Chris Mason, director of the **London Regenerative Medicine Network** in the U.K., said that while regenerative medicine is relatively new to the marketplace — 323,000 patients worldwide have received cell-based therapies and there are a handful of products on the market, including a synthetic skin — he predicted that one day the market for stem cell and other regenerative therapies will rival that of medical devices and drugs from large pharmaceutical companies.