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The Joint Standing Committee on Taxation

Testimony from Satish Tadikonda, Partner at Avigo Solutions; Sr. Lecturer in Entrepreneurial Management, Harvard Business School; Consultant, FocusMaine

**In Support Of**

L.D. 1475

An Act to Promote Biomanufacturing and Biotechnology Development  
by Establishing a Tax Credit

April 18, 2023

Good afternoon, Senator Grohoski, Representative Perry, and members of the committee,

My name is Satish Tadikonda. I am a partner in Avigo Solutions, and a Senior Lecturer in Entrepreneurial Management at Harvard Business School. My background includes the creation and sale of several life sciences technology firms, over 25+ years of experience in life sciences research and development, conducting roundtable discussions with pharma and biotech business leaders, mentoring several dozens of biotech entrepreneurs, being involved in industry bodies such as Nucleate/Mass Bio and related matters. For almost 5 years, I have been a consultant to FocusMaine, with a goal of attracting biomanufacturers to Maine. I am testifying in support of L.D. 1475, An Act to Promote Biomanufacturing and Biotechnology Development by Establishing a Tax Credit.

Boston is one of the world's hubs for leading research and development in biomanufacturing. But because the Boston area is so congested and developed, biomanufacturers are looking outside Boston for their incubator and expansion plans. There are only a handful of states in this country who can take advantage of being in proximity to this Boston hub. Western Massachusetts, southern New Hampshire and Vermont, northern Rhode Island and Connecticut, and Maine have this unique opportunity. They are all vying for this natural expansion of biomanufacturing from the Boston hub. In 2016, FocusMaine identified this unique economic growth opportunity for Maine, and has been working with other Maine-based organizations and me, since then, with limited success, to attract biomanufacturing operations to Maine.



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To date, I have encouraged 68 life science businesses to start up or relocate operations in Maine. I have found that these company leaders find Maine attractive. It is within reasonable proximity to Boston, it offers a high-quality lifestyle, it has a manufacturing heritage and it has the elements of an emerging biosciences economy that would support their operations here. You are hearing from them today. We have been close to successfully attracting companies here a couple of times.

But Maine, unfortunately, does not have a financial incentive package that competes with those of other states. LD 1475 is a solution to that problem.

Maine is facing intense competition from other states vying for this business emanating from Boston. For example, New Hampshire was recently awarded a \$44 million of President Biden's Build Back Better Regional Challenge to establish a biofabrication cluster in Southern New Hampshire. Massachusetts Biomedical Initiatives is expanding to put 10 new labs in a biotech incubator to Worcester. Despite this, Maine has a lot going for it, and LD 1475 would be a relatively modest state investment for a relatively large impact in growing its bioeconomy.

If it would be helpful, I could provide a chart illustrating the various competing incentives in the states surrounding the Boston hub.

I truly believe that Maine has a great opportunity to attract and grow a strong biomanufacturing economy and I would be very excited to have the incentives offered in LD 1475 be a part of the package of Maine's offerings.

Thank you for your consideration. I am happy to answer any questions you may have.

Sincerely,

A handwritten signature in black ink that reads "Satish Tadikonda". The signature is fluid and cursive, with the first name being more prominent.

Satish Tadikonda  
Partner