

# Hamilton Health Innovation Check-Up

## Ontario's Life Sciences Strategy

July 2022





## Our Purpose

The Ministry of Economic Development, Job Creation and Trade drives the province's economic development policy agenda in key sectors to foster a more resilient, innovation-driven and competitive economy. We're here to:

- Support and grow small- and medium-sized businesses.
- Reduce regulatory and other barriers to business competitiveness.
- Accelerate innovation and commercialization.
- Attract and securing local expansion and foreign direct investment.
- Protect Ontario's interests in domestic and international trade disputes.
- Facilitate growth across sectors and regions.
- Increase Ontario exports.



- Invest Ontario was established in 2021 as a board-governed provincial agency.
- Its mission is to secure private sector strategic business and capital investments.
- Focused on three priority sectors where Ontario has a global competitive advantage: advanced manufacturing, **life sciences** and technology.
- Invest Ontario also makes recommendations to the Minister on financial incentives, via the Invest Ontario Fund, a flexible and discretionary investment attraction tool used to secure high-value investments.
- For more information, please visit Invest Ontario's website, or contact <https://www.investontario.ca/request-conversation>

# Overview of Life Sciences in Ontario

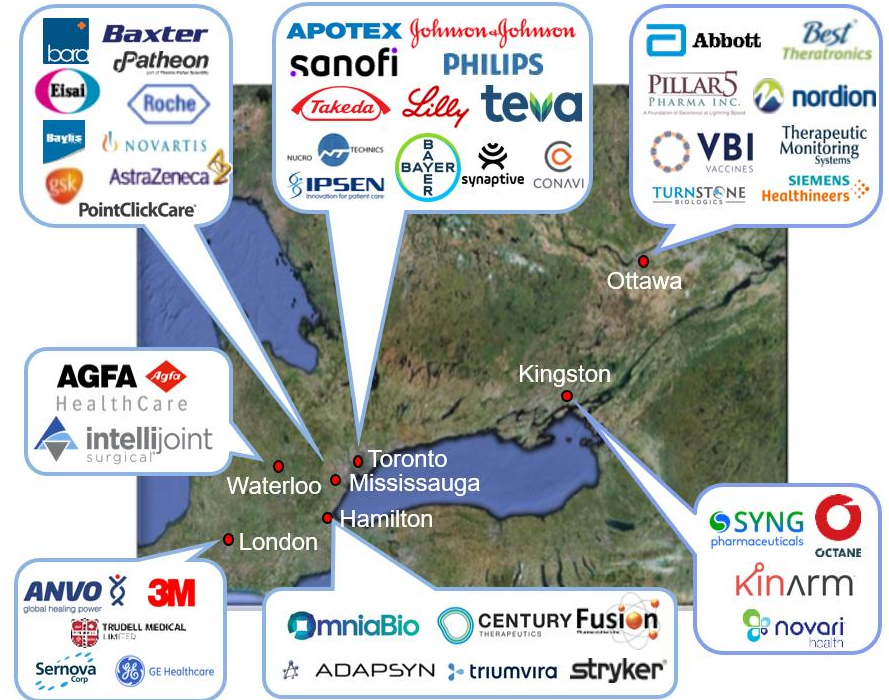
Ontario is the **largest life sciences jurisdiction** in Canada with more than **50%** of the total Canadian life sciences economic activity.



Ontario has approximately **1,900 life sciences firms** (44% of Canada's total).



The sector focuses on **human health care** in firms **developing, manufacturing and wholesaling medicines and medical devices.**



*Representative examples of Ontario's Life Sciences companies.*



## Positioning Ontario for Growth

Ontario's life sciences companies are competing in a global healthcare transformation, where success is determined by innovation, access to data and the ability to raise capital.

Building off lessons learned during the COVID-19 pandemic, Ontario's new Life Sciences Strategy is an opportunity to leverage our existing strengths to create a world-class life sciences sector that builds globally competitive companies:



**INNOVATION ECOSYSTEM** - World-class research institutes, 23 research hospitals, 44 postsecondary institutions, technology incubators, start-ups, scientists and multinationals

**TALENT** - 55,000 STEM grads annually

**MANUFACTURING** - 2nd lowest costs for bio-pharmaceutical manufacturing, relative to 'top 10' (by employment) peer states in the U.S.

**ADVANCED TECHNOLOGIES** - Niche strengths in cell/gene therapies, genetic engineering, digital health, and the application of artificial intelligence and machine learning

# Challenges and Opportunities

Ontario's life sciences community has continued to highlight opportunities for strengthening the sector and championed the need for a comprehensive strategy.



## SUPPORTING FIRM GROWTH & INVESTMENT

Grow and attract large anchor firms with domestic manufacturing and R&D mandates to drive sector growth.



## BUILDING DOMESTIC SUPPLY CHAINS

Ensure future pandemic preparedness by improving domestic PPE and medical supply sectors, and building a long-term stockpile.



## SUPPORTING COMMERCIALIZATION

Help bridge the transfer of research and innovation to commercialization, including addressing gaps in access to capital for early-stage companies. Support executive talent development and intellectual property training to drive growth and help entrepreneurs/researchers protect their innovations.



## ADOPTING INNOVATION

Improve access to Ontario's health sector to help innovators demonstrate, market and sell their products and services.

# Overview: Ontario's Life Sciences Strategy

Ontario's Life Sciences Strategy will tackle challenges through a phased-approach to ensure the sector is positioned for success in the decade ahead.

## PHASE 1

(March 2022)

### LEVERAGING A STRONG FOUNDATION

Phase I will build up our life sciences sector by securing commercial-scale manufacturing capacity and supply chains, while improving the manufacturing readiness of Ontario SMEs developing biopharmaceuticals and medical technologies.

## PHASE 2

(Expected 2023)

### BUILDING NEW CAPACITY FOR GROWTH

Guided by a Life Sciences Council, Phase II will build out Ontario's industry to become a leader in next generation life sciences technologies.

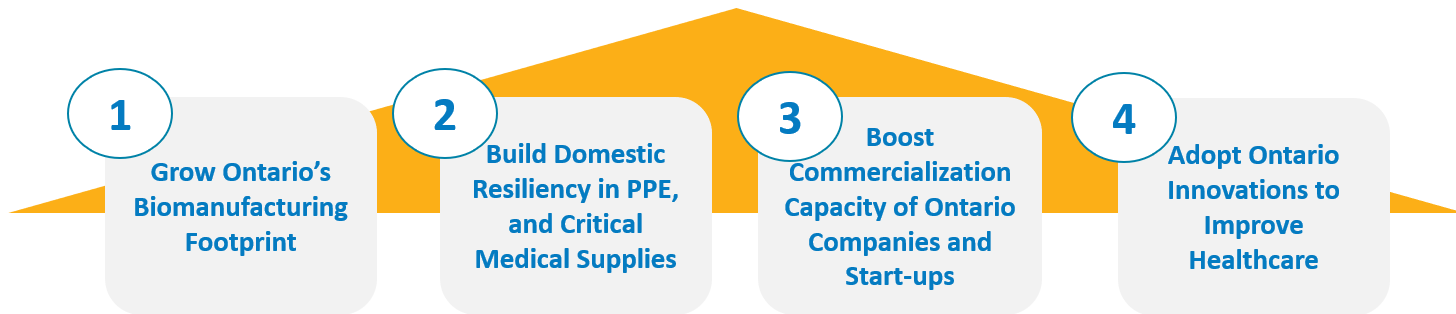
# Phase 1 – Leveraging a Strong Foundation

## VISION

Establish Ontario as a global biomanufacturing and life sciences hub leading in the development, commercialization and early adoption of innovative health products and services.

## 2030 ANCHOR GOAL

Maintain and grow Ontario's biomanufacturing and life sciences sector by **targeting 85,000 high-value jobs in the life sciences sector by 2030, a 25% increase from 2020.**





# Phase 1 – Programs and Initiatives

The Strategy's goals will help secure the long-term growth of life sciences in Ontario.

1

## Grow Ontario's Biomanufacturing Footprint

### Secure High Value Investments:

Leverage Invest Ontario and the Regional Development Programs to secure investment and production mandates.

### Promote Ontario in Key Markets:

Establish a new international marketing plan to attract investment from priority markets.

### Reduce Red Tape:

Continue to take targeted actions through Ontario's regulatory modernization initiatives.

2

## Build Domestic Resiliency and Critical Medical Supplies

### Invest in Domestic Production:

Build domestic production and supply chains for critical medical supplies and PPE.

### Improved Pandemic Preparedness:

Through the proposed *PPE Supply and Production Act*, ensure availability of high quality, made-in-Ontario PPE and medical supplies.

3

## Boost Commercialization Capacity of Ontario Companies and Start-ups

### Increase Access to Capital

#### Life Sciences Innovation Program:

Provide early-stage bridge funding to support commercialization.

#### Venture Capital:

Support for life sciences VC funds through Venture Ontario Fund and the Life Sciences Venture Capital Fund.

#### Investment Forums:

Help connect Ontario innovators and entrepreneurs with investors.

#### Improve Business Acumen:

Provide innovators with resources they need including executive talent development, market intelligence, IP supports and business-to-business mentorship.

4

## Adopt Ontario Innovations to Improve Healthcare



### Supply Chain Modernization:

Drive value creation, build domestic resiliency and advance the adoption of made-in-Ontario life sciences products and services through Supply Ontario and the Building Ontario Businesses Initiative (BOBi).



### Innovation Management – Digital Health:

Support digital health investments (e.g., virtual care) to improve access to digital health solutions.

## Life Sciences Innovation Program (LSIP)

As part of the Life Sciences Strategy, Ontario will launch a new \$15 million early-stage fund to address the challenges life sciences entrepreneurs face in moving their ideas and prototypes from the lab to the marketplace.



- LSIP will be a new three-year \$15M co-investment fund that will invest up to \$500K in early-stage life sciences and healthcare technology companies.
- Designed to make early-stage investments less risky by co-investing alongside private-sector investors to help scale made-in-Ontario solutions for global markets. The program will likely be aimed at seed and pre-seed companies.
- Has two intake streams:
  - ✓ General Intake (Stream 1) – an ongoing intake for high-potential companies possessing innovative intellectual property or technologies that can demonstrate real-world demand, and
  - ✓ Challenge Intake (Stream 2) – a targeted intake for companies that are developing solutions which address specific challenges that are impacting Ontario’s hospitals and health care sector.
  - ✓ Expected Eligibility Criteria:
    - ✓ Ontario or Canadian incorporated for-profit companies headquartered in Ontario.
    - ✓ Companies focussed on human health related Life Sciences and Healthcare Technologies with a minimum addressable market size of \$100M.

# CCRM / OmniaBio Announcement

## New gene- and cell-therapy manufacturing facility to launch in Hamilton with \$580-million commitment

JOSH O'KANE > TECHNOLOGY REPORTER

PUBLISHED MARCH 31, 2022

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Ontario says it will provide a \$40-million loan to the Centre for Commercialization of Regenerative Medicine for its planned \$580-million Hamilton facility where life-science companies can develop and commercialize cell and gene therapies.

The CCRM, a non-profit industry group, said Thursday that the facility will be run by a new subsidiary called OmniaBio Inc., which will operate what it hopes to become the largest contract development and manufacturing facility for these therapies in Canada. Up to 2,000 people could be employed at the planned 400,000-square-foot facility by 2026, and it is expected to take on life-sciences companies of all sizes as clients.



“It tells all of the vaccine and medical manufacturers that we’re open for business,” he said. “But it also tells the Ontario patients that they’re going to be able to have access to breakthrough technology, innovative medicines, right here with a with a made-in-Ontario stamp on it.”

## Phase 2 – Life Sciences Council

Phase 2 will be guided by a new forward-looking Life Sciences Council to work in partnership with the sector on long-term growth and emerging areas of opportunity.

**Scope:** It will focus on long-term growth and competitiveness in four key subsectors:

**Medical Technology**    **Pharma/Biotechnology**    **Digital Health**    **Personal Protective Equipment**

**Potential discussion areas may include:**

**Ecosystem Collaboration** Opportunities to strengthen local partnerships between innovation intermediaries (e.g., incubators), post-secondary schools, and hospitals.

**Talent Development** Future areas of focus for colleges and universities, including internships to create pathways to employment for students and recent graduates.

**Addressing Business Needs** Tackling regulatory burden and determining whether companies have adequate access to key resources and infrastructure, such as laboratory spaces.

## Moving Forward

Ontario will continue to work with the sector to seize the province's life sciences opportunity.

- Implementation:** Moving forward with the implementation of programs and initiatives for Phase 1.
- Continued Collaboration:** Establish a Life Sciences Council and continue to collaborate with industry and ecosystem partners on a comprehensive plan for the life sciences sector.
- Investment Attraction:** Through Invest Ontario and the Regional Development Program, secure leading investments in Ontario's life sciences sector.



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**Thank you!**

