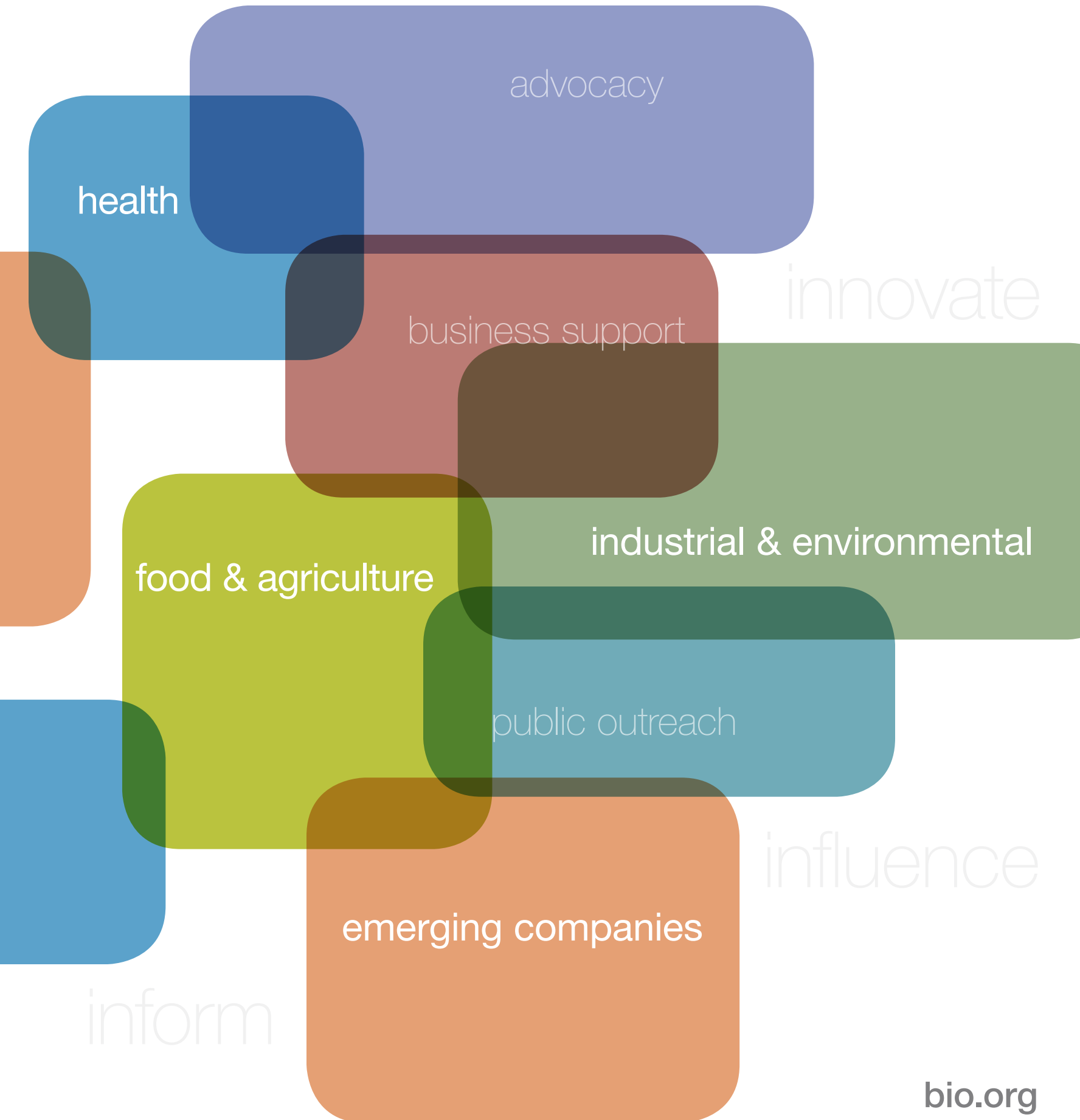


the complete connection



the biotechnology agenda

When the Biotechnology Industry Organization (BIO) was created in 1993

out of a merger between the Association of Biotechnology Companies and the Industrial Biotechnology Association, only a handful of biotech medicines had been approved, and no biotech crops were grown commercially.

In the 15 years since, biotechnology companies have launched more than 200 new drugs and vaccines, and in 2005, the billionth acre of biotech staple crops was planted. And now, thanks to recent breakthroughs, cellulosic bioethanol is poised to supplant a significant amount of imported oil, while cutting carbon dioxide emissions.

The biotechnology industry has grown up, and BIO has grown with it—building an outstanding array of member services and accumulating even more policy victories to meet the needs of our diverse membership.

To serve that diversity, we created Sections that focus exclusively on three major applications of biotechnology research and development: Health, Food & Agriculture, and Industrial & Environmental. A fourth Section—for young biotechnology firms and known as the Emerging Companies Section—is BIO's largest group of member companies. This Section focuses on the capital formation priorities of young companies by formulating policy, facilitating investor and business relationships, and providing other business services.

What hasn't changed since our founding is the complexity of biotech issues, many of which present unique challenges to policymakers and regulators, as well as to investors. Despite these challenges, BIO's mission remains clear: to assist our members in delivering biotechnology solutions to solve the world's problems.

Advocacy, business services, public outreach

BIO is founded on the principle that policy must nurture innovation in the life sciences to overcome challenges in health, agriculture, industry and the environment. Our members represent companies offering a spectrum of biotechnology applications across major sectors of the economy. BIO members also include universities, nonprofits,



patient groups and other organizations that play an important role in the future of the life sciences.

This diverse group of businesses and organizations all speak with one voice through BIO. We help these life sciences innovators prosper by providing the following critical services:

- **Advocacy.** BIO's world-class advocacy team represents our members in Washington, state capitals and international fora. The issues we address include intellectual property, drug and agricultural regulation, Medicare and Medicaid policy, incentives and grant funding.
- **Business services.** BIO hosts a series of investor and innovator meetings each year, as well as executive training programs and members-only Webinars on issues such as changes at the U.S. Food and Drug Administration (FDA) and in Medicare. In addition, the BIO Business SolutionsSM cost-savings program helps our members save up to 75 percent on certain supplies and services.
- **Public outreach.** BIO is the voice of biotechnology to the public, the media, and policymakers. We monitor public opinion, develop image and branding campaigns for biotech, and help the media understand the industry's positions on legislative and regulatory issues.



BIO represents more than 1,200 companies and organizations in Washington, DC, state capitals and international fora.

The United States is of primary importance to us because it is the largest market for biotechnology companies, regardless of where they are based. The U.S. accounts for about 75 percent of global revenue and 80 percent of R&D investment, according to Ernst & Young. We also have a strong presence in state capitals through a network of more than 45 state and regional affiliate organizations.

Internationally, we represent the industry before bodies including the World Health Organization, World Trade Organization, the Organisation for Cooperation and Economic Development, and Codex Alimentarius on important issues, including intellectual property rights.

Our advocacy reflects the priorities identified by the BIO Board of Directors and our four Section Governing Boards.

The [Board of Directors](#) focuses on issues of importance to all BIO members—such as intellectual property and bioethics—regardless of their size or technology.

The [Health Section](#) drives advocacy to ensure that patients have access to the fruits of biotech research, while maintaining the marketplace rewards that drive continued innovation.

The [Food & Agriculture Section](#) focuses on maintaining a science-based regulatory environment for biotech crops and emerging products, such as plant- and animal-made pharmaceuticals and feedstocks for biofuels.

In our [Industrial & Environmental Section](#), we advocate for incentives that help create market demand for cutting-edge consumer products such as green plastics, renewable fuels and chemicals and healthier foods.

And through the [Emerging Companies Section](#), BIO presses for rules favorable to small companies in areas such as financial reporting and accounting, stock option treatment, tax policy and federal grants.



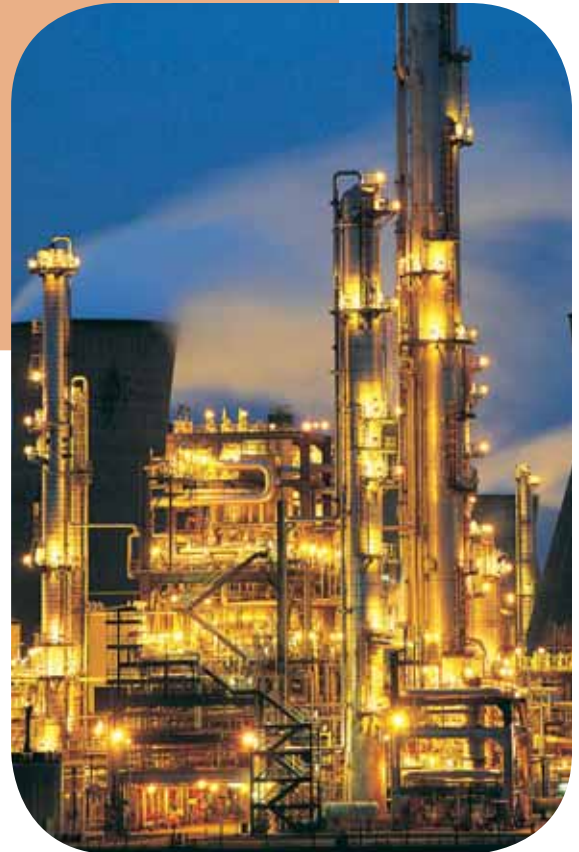
Our advocacy efforts include:

[Cross-cutting all Sections](#)

- Patent reform legislation
- U.S. Patent and Trademark Office reforms
- International intellectual property policy
- Technology transfer policy
- Bioethics

[Health](#)

- Participating in the FDA implementation of the FDA Amendments Act of 2007
- Advocating for follow-on biologics legislation that protects patients and promotes innovation
- Enhancing patient access to innovative therapies
- Promoting the development and use of research tools, molecular diagnostics and personalized therapies
- Fostering vaccine innovation



- Supporting public health preparedness/response
- Increasing the funding for FDA and the National Institutes of Health

Food & Agriculture

- Federal and state biotechnology legislation
- International agricultural biotechnology regulation (including Codex rules and the Biosafety Protocol)
- Low-level (adventitious) presence policy
- Animal biotechnology
- Agricultural biotechnology stewardship
- Sustainability

Industrial & Environmental

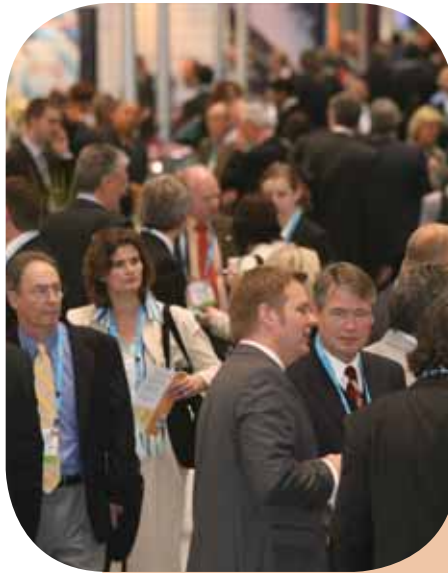
- Bioenergy incentives
- Environmental policy
- Biobased products incentives
- Climate and sustainability standards

- Agriculture feedstock policy
- Education and media outreach on emerging applications
- Research and development on synthetic genomics

Emerging Companies

- Health policy impact on small companies
- Capital formation and tax policy
- Revenue recognition and financial reporting
- Sarbanes-Oxley reform
- Eligibility for federal grants, including Small Business Innovation Research (SBIR) grants

business services



BIO members face enormous challenges navigating the complexity of biotech product development, capital formation and business sustainability. As a trusted partner, we serve to facilitate investor and business relationships. BIO also gives members the knowledge and tools they need to grow their business. To improve competition and productivity, we link members to thought leaders through executive training programs and membership-only webinars. In addition, BIO members can participate in our cost-savings program to keep their costs low on products and services from leading biotech suppliers.

Innovator conferences

With our growing portfolio of annual innovator conferences, BIO's Emerging Companies Section (ECS) is one of the industry's most experienced hosts in Europe, Asia and North America. Hundreds of emerging biotech firms participate every year, as do more than 90 percent of the

world's largest pharmaceutical and biotech companies. Prior to the conferences, attendees can arrange individual meetings online using BIO One-on-One Partnering.

The ECS hosts the annual BIO Business Forum, the world's largest biotech business development event, held during the BIO International Convention. The BIO Business Forum draws 4,000 attendees from 1,700 companies arranging more than 14,000 one-on-one meetings over four days.

The BIO-Europe Conference is the longest-running ECS innovator conference. The BIO-Asia Conference is also growing fast—attendance has increased more than 170 percent since the event's introduction in 2004.





Investor conferences

BIO investor conferences connect biotech companies to institutional investors. Our flagship event is the CEO & Investor Conference in New York City, which features company presentations, business roundtable discussions, therapeutic workshops, and one-on-one meetings. Most participating companies at this conference are publicly held.

However, the BIO Investor Forum in San Francisco features late-stage private companies and emerging public companies. Our third investor event, the BIO National Venture Conference, matches seed-stage companies and venture capitalists.

At these events, investors can also arrange and manage individual meetings online using BIO One-on-One Partnering.

Executive training

In conjunction with our innovator and investor meetings, BIO's Emerging Companies Section offers cost-effective educational programs, including:

- The **Executive Presentation Workshop**, a one-day course to enhance presentation skills of top executives.
- The **Business Development Basics Course**, a three-day course for those new to the biopharmaceutical industry and partnering.
- The **Advanced Business Development Course**, a three-day course that enhances participants' skills in valuation, due diligence, negotiation and contracts.

BIO Business SolutionsSM

In addition to facilitating relationships between business partners and investors, we also help companies make the most of their capital. BIO Business SolutionsSM is the largest cost-savings program for the life sciences industry, offering substantial discounts on essential biotech goods and services from industry-leading suppliers.

Savings include up to 75 percent discounts on certain laboratory and office supplies, favorable pricing on clinical trials liability and other commercial insurance policies, and discounted news distribution services.

Visit biobusinessolutions.com for full program details.

public outreach



BIO is the trusted voice of biotechnology at a time when revolutionary discoveries happen every day and innovations arise more rapidly than policymakers, the public and the press can sometimes keep pace with.

Through our branding and informational campaigns, we illuminate biotechnology's promise while providing guidance to policymakers and the media about the industry's positions on legislative and regulatory issues.

Alliances with other stakeholder groups allow BIO to leverage our leadership to guide biotech policy formation and to drive public opinion through its wide array of communications vehicles, including the daily updated BIO Web site.

Communications

Communication is the foundation of effective advocacy, and BIO has found that the more opinion leaders know about biotechnology, the more they support policies to advance it.

And there is no shortage of great stories about biotech. More than 1,000 items in the media mention biotechnology every day, according to Lexis/Nexis. We monitor biotech media coverage and work closely on stories with both trade press and mainstream outlets like *The New York Times*, *The Washington Post*, and network and cable news operations.

More than 500 journalists cover the BIO International Convention, where the BIO TV studio broadcasts news from the event around the world. Hundreds of reporters also turn out for BIO's investor and innovator meetings, press conferences and other media events.

Because Congress and federal agencies decide so many biotechnology issues, BIO concentrates much of its media relations effort on the Washington press corps, with complementary efforts in specific congressional districts and states as needed.



BIO online

In this age of global connectivity, the need for a strong and comprehensive online presence is critical to support and grow the biotechnology industry, as well as to educate and inspire positive perceptions about biotechnology in general. BIO does this in a variety of ways.

Bio.org is the most current and comprehensive source of information about BIO and our activities. There you will find our letters, comments, speeches, press releases and much more. The members-only section of the site contains archives of BIO News, a detailed member directory, staff contact information, access to webinars and videos, and BIO updates on federal and state issues. Contact info@bio.org for assistance obtaining a user ID and password.

In 2008, BIO launched several "social media" efforts in order to better engage and connect with our audiences, and to better communicate on a variety of topics. These include:

- Advanced Biofuels Blog: <http://biofuelsandclimate.wordpress.com>
- Hopes and Cures Blog: <http://hopesandcures.org>
- BIO on the Road Blog: <http://bioontheroad.wordpress.com>
- The BIO Channel on YouTube: <http://youtube.com/user/BIOchannel>



Health advocacy gala

Biotechnology drug development is highly complex, both scientifically and financially. In fact, it's not unlike the high-risk, high-reward game of Texas Hold 'Em poker, according to 2007 BIO International Convention keynote speaker Michael J. Fox.

- BIO Photo Albums on Flickr: <http://www.flickr.com/photos/biophotos/>
- Biotech Now podcast series: <http://biotech-now.org>

Alliance development

BIO's alliance development efforts are vital to our advocacy. We know that the best advocates for biotechnology are those who benefit from today's advances, and look to tomorrow's breakthroughs. Biotechnology is already helping millions of people every day with revolutionary therapies and vaccines, higher-yielding crops with lower environmental impact, and industrial applications that use fewer resources and produce less waste.

Through our alliance development efforts, we reach out to patient advocates, leading universities and academic researchers, farmers and food manufacturers, environmental associations, and others with a stake in biotechnology. We also participate in formal coalitions, such as the Alliance for a Stronger FDA, the Coalition for the Advancement of Medical Research, and the Partnership for Chronic Disease. BIO has garnered broad support on issues ranging from funding for the FDA and the National Institutes of Health to stem cell research; comparative effectiveness research to patent reform; and acquiring funding for biofuel incentives to rules for federal innovative research grants.

"You're dealt a few cards, and you have to make a bet based on how promising your hand looks," Fox told the 2007 crowd in Boston. "With each new card you're dealt, you get a little more information—and of course, you also have to put more money on the table. Big money. And the stakes get exponentially higher with each round. The pot is significant, and it's hard to know which hands are worthy of doubling down on."

Science...and poker? BIO's Alliance Development team combines the two by pairing a Biotech 101 course with a Texas Hold 'Em Tournament. BIO invites representatives from the health advocacy community to learn the basics of biotechnology at a Biotech Primer, and then plays Texas Hold 'Em at a gala evening reception. They are joined by BIO member company executives, university representatives, members of Congress and their staffs. In all, more than 150 play in the tournament.

the BIO International Convention

The BIO International Convention attracts 20,000 attendees from some 60 countries. This four-day event provides year-round business connections for members.

Our signature event annually draws BIO members and biotech professionals from around the globe, including 7,000 attendees from outside the United States. Approximately 400 public officials attend to network with BIO members and to share their insights about policy issues.

Attendees routinely exchange their ideas and best practices during breakout sessions, super sessions and more casual gatherings and talks, such as the BIO Think & Drink and the Product Focus Zone presentations in the BIO Exhibition.

The global event focus is as diverse as the BIO member companies—encompassing human health, therapeutics (biologics and small molecule), enabling technologies (supporting discovery and R&D), molecular diagnostics, industrial and environmental applications, and food and agriculture products.

The convention offers tremendous business development opportunities, as more than 4,000 people participate in the BIO Business Forum, which is held concurrently with the convention. Using BIO One-on-One Partnering, more than

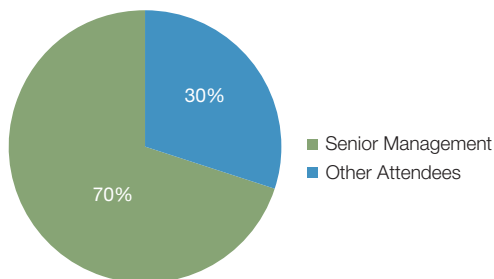


14,000 30-minute meetings are held during the four dynamic days. The BIO Business Forum also features 15-minute corporate overviews and updates; approximately 300 companies participate.

While the convention has more than doubled in size since 2000, we know the value of intimate gatherings in nurturing business opportunities and making important connections. The convention now hosts many niche gatherings in sessions, lounge areas and the BIO Exhibition for attendees to meet, exchange ideas and further business interest.

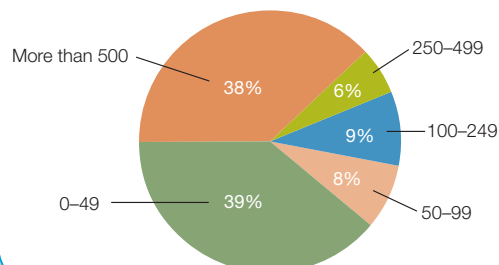
Additionally, we provide convention attendees with a free event planning tool—myBIO personal portal—that allows each attendee to arrange appointments and to create personal schedules in advance of the convention.

The BIO International Convention Attracts High Level Management Attendees



Senior Management: Board Chairman, Board Director, President, CEO, CBO, CFO, CIO, CMO, COO, CTO, CSO, Principal, Partner, Senior VP, Exec. VP, VP, Managing Director, Director—All Levels, Manager—All Levels.

Attendee Company Size (By Number of Employees)





Upcoming BIO International Conventions

Dates

- May 18-21, 2009
- May 3-6, 2010
- June 26-29, 2011

City

- Atlanta
- Chicago
- Washington, DC

Key event elements include:

- Premier Keynote Addresses
- Outstanding Super Sessions and Breakout sessions
- BIO Business Forum powered by BIO One-on-One Partnering
- BIO Exhibition
- BIO Career Fair

BIO Program

- 175 Sessions, 1,100 Speakers, 5 Super Sessions
- 16 International Case Studies Sessions

BIO Exhibition

- Exhibiting Companies: 2,188
- 1,144 Domestic Companies
- 1,044 International Companies
- Net Square Feet: 203,300
- State and Country Pavilions: 68
- U.S. States Represented: 43
- Nations Represented: 36

For more information on the BIO International Convention, visit bio.org or contact us at 202.962.6655.

membership



The BIO membership is diverse, reflecting the life sciences industry it represents. Nearly 90 percent of our R&D member companies are small firms with less than \$25 million in annual revenue. BIO membership also includes some of the world's largest and most successful corporations. More than 90 percent of the top pharmaceutical and biotech companies are our members, as are leaders in agriculture, chemicals and energy.

BIO members also include academic centers and nonprofit organizations, state and international biotech organizations, and firms that provide services or supplies to the industry.

Only companies or organizations may join BIO; we do not offer individual memberships. However, every employee of a member organization gains access to our membership benefits. Check our membership list online at bio.org for your firm's status.

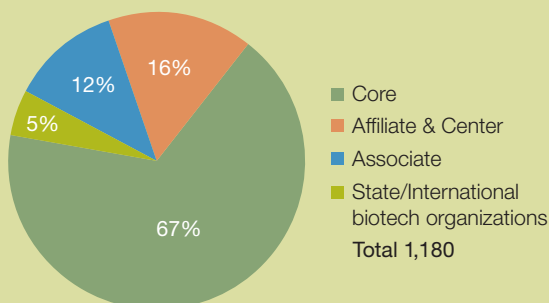
Membership types

BIO offers four types of memberships (most with a scaled dues rate) to meet the varying needs of the global life sciences community. Check bio.org for a complete list of rates for all of the membership types described below.

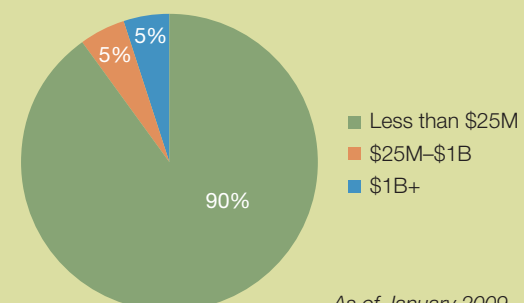
Core

Core members—companies that discover, develop, manufacture and/or market biotechnology products—make up the majority of BIO membership. Most are small companies without a product on the market, while others have numerous marketed products that generate sales revenue. Core membership rates for small companies start at \$150 per employee, with a \$1,000 minimum; for larger firms, membership is based on total annual worldwide revenue.

BIO Members by Type



Core Members by Worldwide Revenue



As of January 2009



Core members are further categorized as:

- Emerging Companies**, which employ fewer than 350 people and do not have a product approved for sale
- Established Firms**, which employ 350 or more people or have a product approved for sale
- Large Firms**, which have total annual worldwide revenue in excess of \$1.5 billion

Associate

Associate members are for-profit firms that provide services or products to the biotechnology industry. They include law and accounting firms, banks and other financial services firms, consultants, contract research and manufacturing organizations, recruiters, and lab suppliers. Dues vary depending on the size of the organization.

Affiliate

BIO Affiliate members are for nonprofit organizations, such as health advocacy organizations and government agencies, including economic development groups that promote biotechnology. Forty-five state and regional biotechnology associations are also affiliate members. This group of members is active in BIO's alliance development initiatives.

Affiliate member dues are \$2,000 annually.

Center

Universities, other academic centers, and non-profit research institutions are also critical members of the biotechnology community and of BIO. These institutions may join BIO via Center memberships and are encouraged to participate in BIO's alliance development programs.

Center member annual dues are \$2,000.



governance & structure



Reflecting the wide-ranging composition of our membership, BIO is organized into four Sections:

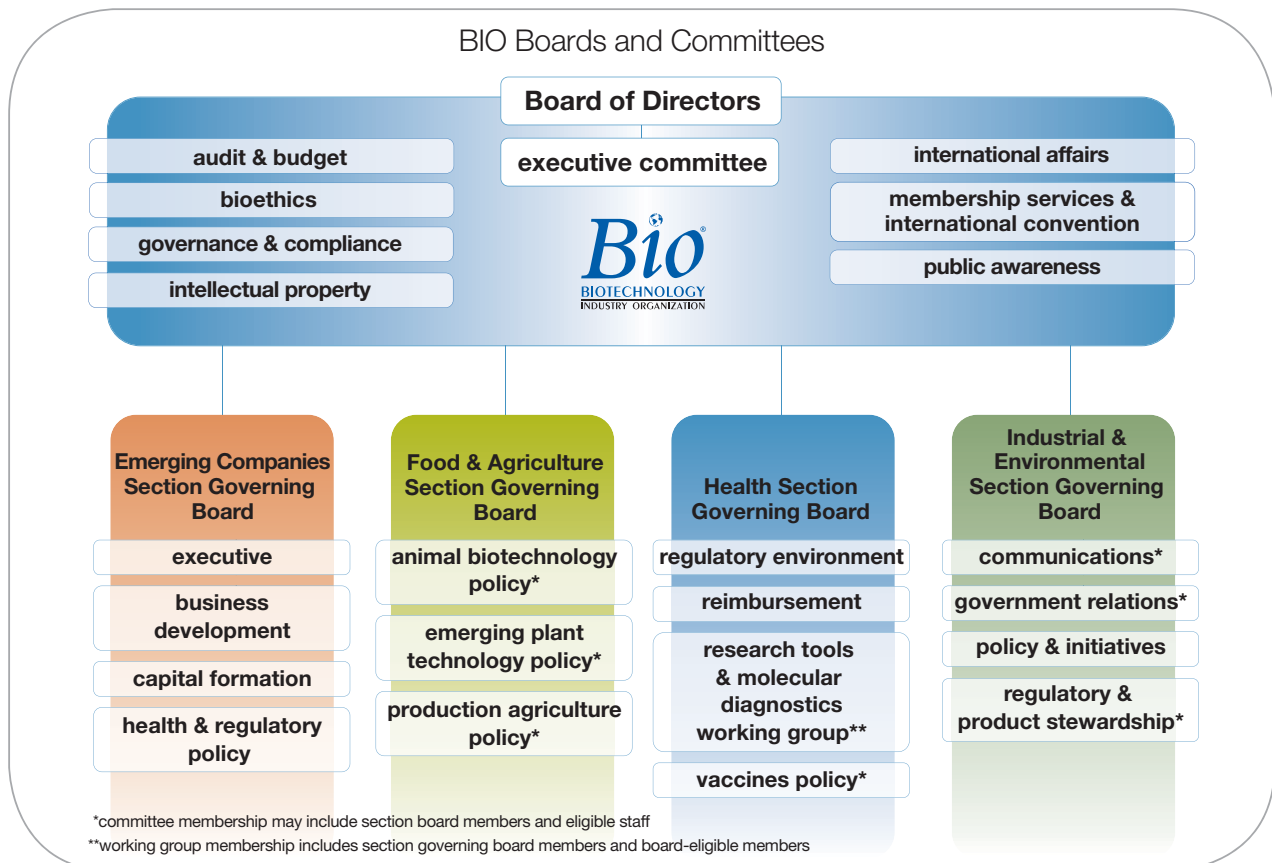
Emerging Companies, Food & Agriculture, Health, and Industrial & Environmental. Every Core member belongs to at least one Section; some belong to two.

Board of Directors and Section Governing Boards

BIO position on major policy issues, as well as budgetary and operational decisions, are developed, deliberated and approved by its membership through its governance structure. While the Board of Directors (Full Board) governs the entire BIO organization, each Section has its own bylaws

and is overseen by a Governing Board, which consists of top executives from member organizations in that industrial sector.

Section Governing Boards have the authority to set policy and make other decisions in areas that are exclusively related to each Section's scope and authority. For example, BIO's position on policy relating to issues such as FDA funding and drug approval processes, Medicare reimbursement and follow-on biologics are developed and approved by the Health Section Governing Board. Likewise, policies related to capital formation for small companies, including tax and Sarbanes-Oxley Act requirements, are addressed by the Emerging Companies Section Governing Board.





Full Board Authority

With the Section Governing Boards empowered to make relevant policy decisions, the Full Board addresses policy issues that affect all Sections and, therefore, BIO as an organization. These cross-cutting issues, such as intellectual property and bioethics, are deliberated and decided upon by the Board. In addition, the Board oversees and approves BIO's finances and operations, as well as major communications initiatives. Similar to most boards, BIO maintains an Executive Committee, consisting of up to 19 Directors, with authority to exercise most powers of the Full Board and to act quickly when events warrant.

Full Board responsibilities include:

- Intellectual property policy
- Bioethics policy
- Finance, including budget and audit
- Governance and compliance
- Public awareness and communications
- Membership requirements, dues, and the annual BIO membership meeting
- The BIO International Convention
- Litigation involving the organization as a party
- Any other issues that affect BIO as a whole, including its reputation

Full Board Composition and Voting

The Full Board is comprised of all of the Members elected to each of the four Section Governing Boards (in accordance with each Section's specific bylaws and processes), and meets semi-annually. Most Board members must be a company CEO or chair, although large companies may nominate other high-level executives. The Board is diverse in composition—both in company size and technology, as outlined in BIO's bylaws—in order to ensure it represents the full spectrum of the BIO membership. Where a consensus among the Board cannot be achieved on any particular matter, voting is weighted among the various sectors of BIO as follows:

- 40 percent of the votes are allocated to the Emerging Companies Section Members
- 40 percent of the votes are allocated to Established Firm and Large Firm Health Section Members
- 10 percent of the votes are allocated to the Food & Agriculture Section Members
- 10 percent of the votes are allocated to the Industrial & Environmental Section Members

Full Board and Section Governing Board Committees

To develop and vet decisions, the Full Board and Section Governing Boards work through a standing committee structure where much of the detailed discussion occurs. The committees report back to the Full Board and/or Section Governing Boards with recommendations and progress reports. Most committees meet on a regular basis, either in person or via teleconference; special committee meetings are called as events warrant. The Full Board and most Section Governing Board committees are not open to staff from member companies. However, BIO has numerous member-staff committees that often initiate and consider proposals that feed into the work of the Board and Section committees.



member participation

BIO is unique among trade associations in its commitment to encouraging the full participation of member companies in developing goals and influencing policy. While executive officers from member companies participate at the Board and/or Section Governing Board level, their staff members are encouraged to have direct, ongoing relationships with BIO as well.

Staff-level committees

BIO benefits extensively from the talented leadership of member staff who participate in our extensive network of committees, subcommittees and working groups. These panels not only provide expertise and insight on highly technical topics, they also provide member organizations with the opportunity to shape BIO policy positions. Generally, participation is open to professionals from member organizations, though eligibility requirements vary.

Current staff committees and working groups include:

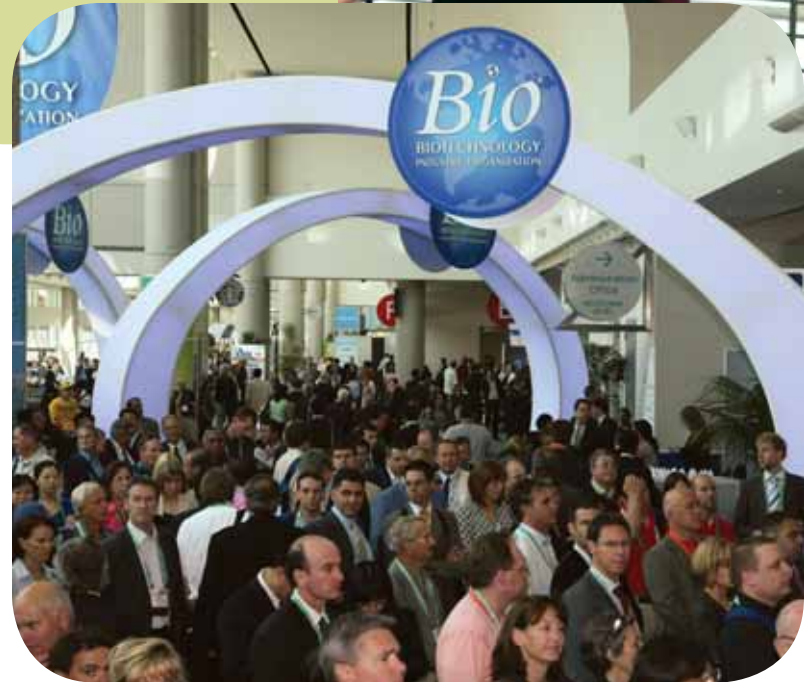
- Biodefense & Pandemic Influenza Working Group
- Biopharmaceutical Law Committee
- Business Development Committee
- CFO/Tax Vice President Committee
- Communications Committee
- Economic Staff Working Group
- Federal Government Relations Committee
- Food & Agriculture International Working Group
- Food & Agriculture Law Committee
- Food & Agriculture Science and Regulatory Working Group
- General Counsels Committee
- Health Care Reform & Reimbursement Committee
- Human Resources Committee
- Intellectual Property Counsels Committee
- Investor Relations Committee
- Outreach/Alliance Development Committee
- Regulatory Affairs Committee

- Research Tools & Molecular Diagnostics (RTMD) Working Group
- Security Committee
- State Government Relations Food & Agriculture Committee
- State Government Relations Health Committee
- Technology Transfer Committee
- Vaccine Policy Working Group

Participating is easy. Most committees conduct business via teleconference and e-mail, and they are an effective way to network with peers, influence policy, and stay abreast of issues affecting biotechnology companies.

In addition, qualified staff from member companies enjoy opportunities to attend events, such as the annual Human Resources Conference, the General Counsels Committee Meetings and the Intellectual Property Counsels Committee Meetings.

For a current list of BIO committees and contact information, visit member.bio.org or send an e-mail to info@bio.org.

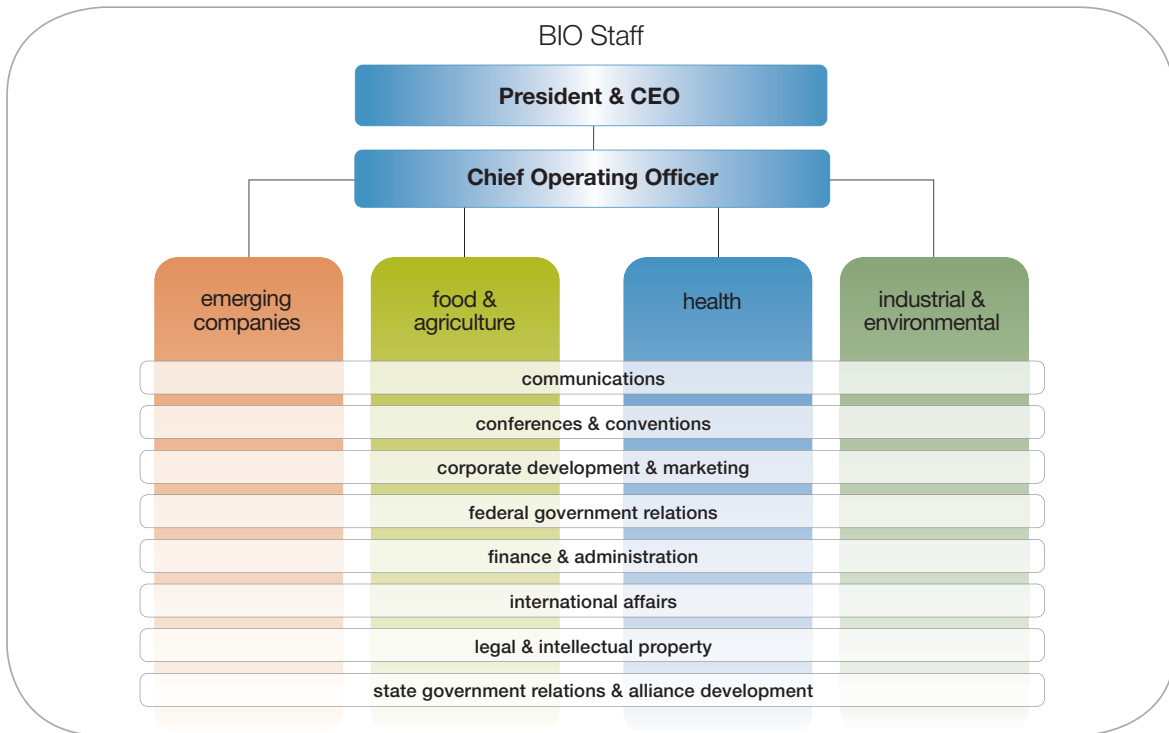




Under the leadership of former U.S. Rep. James C. Greenwood, who joined BIO as President & CEO in January 2005, BIO has become a world-class advocacy organization—home to a cadre of respected experts from the federal government, biotech and pharmaceutical companies, and other trade organizations. As of January 2009, BIO employed more than 150 staff.

To serve our members more effectively, we established a matrix management system in which the four Sections are supported by BIO departments—as illustrated below—that work across function and allow Sections to draw on each team's expertise.


A BIO Executive Vice President manages the staff and day-to-day operations of each Section, regularly reporting to the Chief Operating Officer and the respective Section Governing Boards, to further ensure operational efficiency and superior member service.





“Biotechnology is the path through which human beings will fundamentally transform ourselves. Today we are a species destined, like every other species, to inhabit this planet precariously...Through biotechnology we are bending evolutionary mechanisms to reach inside ourselves and rewrite our destiny, to profoundly advance our individual and collective survivability, and to improve the quality of our lives as individuals and as a global civilization.” —James C. Greenwood, President & CEO of the Biotechnology Industry Organization





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