



St. Louis is boosted as ag-tech hub

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ST. LOUIS — The second annual Ag Innovation Showcase began with a cautionary tale.

Jerry Caulder, a Missouri farm kid and pioneer in agricultural biotechnology, stood in front of a roomful of people Monday at the Donald Danforth Plant Science Center, telling the story of Athenix, a biotech company that Caulder hoped would make its home in St. Louis but instead went where the money was: North Carolina.

Last year, after eight years in business, the venture capital-backed company was bought by global giant Bayer CropScience for a neat \$400 million, and the company announced plans to hire 130 people and pour more than \$10 million into its North Carolina facility expansion.

"I hate to say it," Caulder said, in his keynote speech. "But it could've been here."

Over the past decade, St. Louis biotech interests have worked to transform the area into an agricultural and plant science hub, tapping into a combination of resources that make it especially ripe for success. These resources include the brainpower at Washington University and the Danforth center, the global reach of Monsanto and the capacity of the Midwestern grain belt.

But Caulder, a former Monsanto employee, and others say a key component — cash for biotech startups — has lagged, sending opportunities, such as Athenix, elsewhere.

"The culture here just isn't as risk-taking as we'd like it to be," Caulder said.

As the world's food needs climb and more agricultural companies set their sights on crop-based fuel production, that risk-taking attitude will be even more critical to the health of the region's emerging biotech hub.

"We're in the middle of what should be the agricultural Silicon Valley," Caulder said, later adding, "There's a lot more energy here in Missouri and Iowa than there is two miles under the ocean. ... We have alternative energy, we just don't have the intestinal fortitude."

Attendance at the Ag Innovation Showcase has climbed to about 260 this year from 180 last year, a sign, organizers say, that more startups and investors see it as a key chance to network.

"If you're in agricultural technology, plant technology, this is front and center," said Sam Fiorello, president of the BioResearch and Development Growth Park at the Danforth center and one of the showcase sponsors.

The showcase allows small companies to present their products and technologies to potential investors as well as to industry heavyweights such as Monsanto that could one day snap them up. This year, a panel chose 17 entries from about 50.

The hope is that by having the event here, startups and investors will see St. Louis as the obvious place to locate, given the resources at their disposal, including the Danforth center and the ready supply of plant science Ph.D.s in the area.

Last year, a biotech startup based in India liked what it saw and is in "deep negotiations" with the BioResearch park and "may very well come here," Fiorello said.

That is precisely what he hopes will happen more often, he said.

"I think it's folly to think we'll build our own venture capital here," Fiorello said.

Instead, he said, the critical mass of technology and personnel will lure companies and their backers to St. Louis.

"They have to think there's value in keeping their company here," Fiorello said. "Shame on us if we don't capitalize on what we have."

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