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News

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WisBusiness: Panel highlights Wisconsin's success in biotech, energy and water sectors

MADISON -- Wisconsin remains a good place for businesses to locate and thrive because it has talented, highly skilled workers, a panel of executives said today at a Wisconsin Business Council meeting.

It's especially attractive for biotech and cutting-edge energy firms, said Maneesh Arora, CFO of Madison-based Exact Sciences and Michael Potts, executive vice president of Orion Lighting and Energy Systems.

But Dick Meeusen, president and CEO of Badger Meter, ripped the state's tax policies, Milwaukee's schools, high health-care costs and what he called "aggressive unions." Referring to changes in state tax policy, Meeusen said "sometimes I feel like we are just rearranging the deck chairs on the Titanic." He added: "As far as I'm concerned, we have a lot of work to do."

But Meeusen wasn't entirely pessimistic and said he believes southeast Wisconsin can become a world leader in water technology, a strategy that would boost employment for the state.

Though he differs with Gov. Jim Doyle on many issues, Meeusen praised him for pushing the Great Lakes Compact, which seeks to protect the lakes and manage them for regional economic growth.

"I may be a naysayer about the Wisconsin business climate, but I love this state and we do have some exciting things going on with energy, biotech and water," he said.

Meeusen, who chairs the Milwaukee 7 Water Council, said southeast Wisconsin could become the Silicon Valley of water technology. The region already has 120 water-related companies and 100 researchers at UW-Milwaukee, Marquette and UW-Whitewater.

"There is no other cluster in the world like this," he said. "And it's huge, a \$450 billion industry. With water rates going up 8 percent to 9 percent a year, there is great demand for our technology and I believe we can retain and grow this business."

Meeusen said he hopes the Wisconsin Business Council can work to improve tax incentives for water companies, promote water research and push for private initiatives.

He also defended his company's recent decision to ship 75 low-skilled jobs to Mexico, while boasting of plans to bring 25 skilled positions to the state from Oklahoma.

"Yes we have talent here, but we can't compete with Mexico and China for most labor costs," he said. "And some people here even have trouble showing up on time.

Potts, a former Kohler Co. executive, said Wisconsin is strategically placed in the middle of country to serve clients around the United States. And he praised the state's workers, whom he called "talented, hard workers who put out good products."

He acknowledged, however, that if and when the company grows to the size where it needs a larger manufacturing plant, it, too might consider off-shoring some of those jobs in Asia or Latin America.

Potts also praised the creation of the Wisconsin Business Council, which began operating in July. He said his company joined the group to work for economic development "on a bipartisan basis."

Arora said he and Exact Sciences CEO Kevin Conroy were looking for opportunities after Third Wave -- which they led -- was purchased by a Massachusetts company in August of 2008.

They found it in Exact Sciences, a molecular diagnostics firm that makes colo-rectal cancer tests. It was based in the Boston area, but Conroy convinced the company's board that Madison had the research talent to make the firm a success.

Moreover, he was able to swing a \$1 million forgivable loan from the state to help Exact Sciences make the move to Wisconsin.

"We knew we could find and retain the talent here, so it was just a matter of making the numbers work," he said. "We also both lived here, so we knew the quality of life is high."

The company now has 15 employees and hopes to add another 25 next year.

Though he and Conroy have had great success in Madison, he said "the world is not completely rosy here."

He said many fledgling biotech companies are struggling because they have difficulty finding money to grow.

"We have a lot of work to do to catch up and create a funding ecosystem like there is in San Francisco, San Diego and Boston," he said. "They need nurturing and financing help."

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