

Sunday November 13, 2005

Economic backbone

Experts promote Summit City as orthopedics hub

By Arundhati Parmar
The Journal Gazette

Wade Lange's optimism about Fort Wayne's future as an orthopedics hub is as bright as the sunlight streaming through his office windows.

Lange is director of business development at Northeast Indiana Innovation Center's International Center of Orthopaedics Research. The city, the Fort Wayne-Allen County Economic Development Alliance and the Northeast Indiana Innovation Center hired him to stamp Fort Wayne's name on the orthopedics world map.



Dean Musser Jr./The Journal Gazette

Wade Lange is director of business development at Northeast Indiana Innovation Center's International Center of Orthopaedics Research

On the job since July, Lange is charged with developing and implementing a three-fold strategy: creating an environment where entrepreneurs can have access to available venture capital; helping establish or attract companies in the orthopedics sector to the Summit City; and most importantly, creating high-tech, skilled jobs that will have a much lower risk of moving offshore.

These are broad, long-term goals, he agrees. Right now, Lange is figuring out what concrete steps will help achieve those goals.

"In the next five years, we hope that venture capital will be available and deployed, an orthopedics research center will be created and that the incubator's biomedical side will be at capacity," Lange says.

Proximity to Warsaw, the orthopedics manufacturing capital of the world, is one reason for the city's push toward orthopedics, says Rob Young, president of the alliance.

But Fort Wayne has some assets that are conducive to the growth of the orthopedics industry, aside from the benefit of being close to Warsaw.

"We have the airport, Fort Wayne Orthopaedics LLC, Orthopaedics Northeast, a dedicated orthopedics hospital run by Parkview and a two-year school of medicine," Young said. "Those kinds of assets do need to be positioned in complement to the big orthopedics companies in Warsaw."

Brad Bishop, a board member at the Kosciusko Development Inc., said both Fort Wayne and South Bend are trying to extend the orthopedics corridor, and Warsaw's orthopedics industry will benefit if suppliers relocate to these communities.

Sunday November 13, 2005

"I think the potential is there (for Fort Wayne and South Bend) to be an adjunct to Warsaw's orthopedics industry," Bishop said. He does not believe that Fort Wayne's push to build the orthopedics sector constitutes a threat.

"They have to have 8,000 direct jobs in the sector and several billions in revenue to reach the same playing field as Kosciusko County," Bishop said.

Young of the alliance said that the goal is not to compete with economic development efforts of other communities such as Warsaw, but to increase the visibility of Fort Wayne's assets as they relate to the orthopedics industry.

That can be achieved by marrying common interests. Young said the alliance's goal of attracting companies and creating good jobs fits well with the Innovation Center's function of building high-tech companies, which will be employers of the future. So, teaming up to create Lange's position was a no brainer. Lange can help address the needs of entrepreneurs already in the area who are focusing on orthopedics and also help attract additional orthopedics and medical device companies to Fort Wayne.

Lange was the obvious choice because he is no stranger to health care. He has about 30 years of experience in the pharmaceutical industry. For the past five years, he was president and CEO of the Indiana Health Industry Forum, a non-profit trade association that aims to commercialize new technologies, encourage the growth of new health-related businesses and support existing ones.

In that role, Lange worked with Young of the alliance and the Innovation Center's Karl LaPan to help further plans for the orthopedics industry in the region. Lange also interacted with CEOs, senior executives of health care and orthopedics companies as well as their business development, and research and development departments to better understand the industry.

Previously he worked for West Pharmaceutical Services, an outsourcing company that helped health care companies conduct clinical studies and trials. His professional experience in the health care industry follows two degrees from Purdue University - a bachelor's in pharmacy and an MBA from its Krannert School of Management.

Lange hopes to draw from this experience to help establish Fort Wayne as a forerunner in the field of orthopedics. Right now, the opportunity is there, but awareness isn't.

"Why Fort Wayne?" is a common question Lange says he encounters from venture capitalists and others.

As an answer he points to the Innovation Center, which is an incubator for high-tech companies including those specializing in orthopedics. He also touts the proximity to Warsaw. Finally, he points to talented entrepreneurs who have gained vital experience while working in Warsaw at DePuy, Biomet and Zimmer and are now eager to strike out on their own.

But these qualities should be aggressively marketed, Lange says, while developing resources that will attract those talented entrepreneurs to the Summit City and create companies that can become employers of tomorrow.

Sunday November 13, 2005

One such resource is access to venture capital. Orthopedics and medical device companies need long-term investment because of expenses associated with clinical trials and regulatory approvals. An entrepreneur, in most cases, will not be able to shoulder that burden alone. So, one of Lange's responsibilities will be to identify regional venture capital firms with a focus or interest in the orthopedics industry and introduce them to talented entrepreneurs in the region.

A first step was taken Oct. 26 when the Innovation Center partnered with an Indianapolis-based organization and the alliance to bring venture capital firms to Fort Wayne and have local entrepreneurs present their business plans. Any cementing of relationships between the venture capital firms and local companies will require more one-on-one time with the entrepreneurs, and Lange will help facilitate those follow-up meetings.

Apart from pursuing venture capital firms, Lange is toying with the idea of approaching affluent orthopedic surgeons in the region. Venture capitalists typically have a financial interest in investing, but orthopedic surgeons have two more reasons to want to invest in area entrepreneurs. One is professional.

"They use orthopedics devices and are aware of the gaps that need to be filled," Lange says.

And the third motivation for local surgeons to invest in area entrepreneurs is the desire to see entrepreneurs from the local community thrive and create a high-tech, strong local economy for the future.

Prospective companies' and venture capitalists' opinion of the Summit City can be boosted if the city can build an orthopedics research center, Lange says.

Having a research center will make Fort Wayne a center for intellect and a starting point for innovative ideas. An orthopedics research center would function as a complement to the Innovation Center, which concentrates on creating new businesses in the high-tech sector, including orthopedics, but does not concern itself with developing the actual technology.

"It is a step earlier in the process in developing the knowledge that can be transformed to technology and companies," Lange explains.

Lange says the center, currently at the conceptual stage, may house up to a dozen researchers and would fund itself through contributions from local orthopedics companies, as well as grants that researchers can obtain through the National Institutes of Health, a federal medical research center that is part of the U.S. Department of Health and Human Services.

Like his counterpart at the alliance, the Innovation Center's LaPan believes Lange is the right man to lead the effort to develop the orthopedics corridor in the Fort Wayne area. The Innovation Center had been planning to focus on the orthopedics market, and it made sense to work with the alliance and the city.

Sunday November 13, 2005

"The alliance, the city and the Innovation Center came together to focus on a common goal and fund the position," LaPan said. "This is better than if we did it independently."

LaPan hopes the position Lange occupies, currently on a one-year contract, will one day become permanent. That of course depends on how successful Lange is realizing Fort Wayne's potential in the orthopedics industry.

Lange is a believer and was so even before he took the job.

"I came to the job biased; I felt there was an opportunity here," Lange says. "In four months, I am more convinced than ever that there is a definite opportunity here."

Now, all he has to do is fulfill his belief that the Summit City and the orthopedics industry are a match made in heaven.

Eye on Lange

Name: Wade Lange

Age: 49

Title: director, business development, Northeast Indiana Innovation Center's International Center of Orthopaedics Research

Education: Bachelor's in pharmacy, Purdue University; MBA, Krannert School of Management, Purdue University

Previous Positions: president and CEO of Indiana Health Industry Forum; general manager, West Pharmaceutical Services; marketing associate, Eli Lilly