



News Release

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Bayer Contribution Fuels Efforts to Make Kansas City an Animal Health Hub *Initiative Aimed at Attracting More Jobs and Investments*

Seed Money Formalizes Collaborative Model Involving GKCCC, KCADC, and KCALSI

SHAWNEE, Kan., (Feb. 3, 2006) — Thanks to a \$300,000 contribution by Bayer Animal Health, the Kansas City region may soon be known as the nation's animal health and nutrition capital.

The contribution is earmarked as seed money for the Kansas City Animal Health and Nutrition Initiative, a unique public-private collaboration aimed at increasing the region's percentage of industry sales from 40 percent to 60 percent, proportionally increasing the number of jobs, and generating several million dollars of investments for the region. The contribution includes \$100,000 to each of three civic organizations that will collaborate in managing the initiative: the Greater Kansas City Chamber of Commerce, the Kansas City Area Development Council, and the Kansas City Area Life Sciences Institute.

"The Kansas City area offers a strong tradition of animal health, animal agriculture, world-class research, a strong workforce pipeline, a favorable business environment, and an outstanding quality of life with low cost of living," said Joerg Ohle, president and general manager of Bayer HealthCare LLC, Animal Health Division. "If you're in the animal health and nutrition business, it makes good business sense to be based in the Kansas City region."

Already, approximately 40 animal health and nutrition companies have a presence in the area. They employ some 5,000 people, which includes around 500 researchers. These same companies account for some 40 percent of U.S. sales and 26 percent of global sales within the \$14.5 billion animal health and nutrition market.

The goal of the initiative is to raise those percentages through a three-pronged effort. The Kansas City Area Development Council will develop and market the Kansas City animal health “brand;” the Greater Kansas City Chamber of Commerce will develop a favorable policy environment that encourages investments in research and innovation; and the Kansas City Area Life Sciences Institute will enhance public and private research partnerships and improve technology transfer between universities, research institutions, and industry.

“We want people to ‘think KC’ when it comes to animal health,” said Bob Marcusse, chief executive officer of the Kansas City Area Development Council. “We have a terrific product. We just have to tell the story to the rest of the world.”

Pete Levi, president of the Greater Kansas City Chamber of Commerce, said creative legislative initiatives may be needed to encourage more investments. He cited the Kansas Economic Growth Act and the Missouri Quality Jobs Act as two examples.

“If we build the right business environment for animal health and nutrition, even more companies will come,” he said.

Dr. Bill Duncan, director of the Kansas City Area Life Sciences Institute, believes an animal health focus can strengthen the overall life sciences focus.

“Investments in animal health research can benefit human health researchers, and vice versa,” he said.

The roots of the initiative go back almost two years when animal health and nutrition was identified as one of several promising economic opportunities for life sciences. After the Kansas City Area Life Sciences Institute formed a “hot team” to explore the idea further, the Greater Kansas City Chamber of Commerce adopted and began formalizing the concept. More recently, a number of companies from the private sector — most notably Bayer Animal Health — have stepped up to play a leadership role in creating and advancing this initiative.

“Our hope is that others from the private sector will make similar contributions, so we can sustain activity and realize our potential to be a national center of animal health activity,” said Ohle.

About Bayer Animal Health

Bayer HealthCare's Animal Health Division is the maker of Advantage[®] flea control for dogs and cats and K9 Advantix[™], a triple-protection flea, tick, and mosquito control product for dogs. K9 Advantix and Advantage are trademarks of Bayer. The division is a worldwide leader in parasite control and prescription pharmaceuticals for dogs, cats, horses, and cattle. North American operations for the Animal Health Division are headquartered in Shawnee, Kan. Bayer Animal Health is a division of Bayer HealthCare LLC, one of the world's leading health care companies.

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