

AdvaMed Applauds Senate Legislation to Promote Investment in Smaller, Innovative Companies

AdvaMed

Ashley Wallin, executive director and vice president of AdvaMed's Emerging Growth Company Council, issued the following statement after the introduction today in the U.S. Senate of bipartisan legislation to promote private investment in smaller, innovative U.S. companies:

"AdvaMed would like to thank Senators Robert Menendez (D-NJ) and Pat Toomey (R-PA) for introducing the Start-up Jobs and Innovation Act, which will help emerging, research-driven medical technology companies secure access to private capital for development of the next generation of life-changing innovations.

"Smaller companies are the lifeblood of the medical technology industry, with approximately three-quarters of U.S. medtech firms having fewer than 20 employees. These engines of innovation rely on private investment to survive in their critical early stages of growth. Unfortunately, in recent years, access to these funds has declined significantly.

"If the U.S. is to remain the global leader in medical innovation, Congress must ensure policies are in place to incentivize financial investment in promising next-generation medical technology companies.

"The Start-up Jobs and Innovation Act meets this challenge by facilitating investment into research-intensive small businesses. Specifically, the legislation would reform the rules regarding how investors can enter into partnerships with small, early-stage R&D companies. This change will make it easier for companies engaged in innovative research to attract the investment they need to develop and bring new technologies to market – spurring economic growth and job creation. A recent independent study by Ernst & Young estimated that this proposal would create 156,000 jobs while stimulating \$10.3 billion in increased investment.

"We look forward to working with members of Congress, the administration and other stakeholders to move this important piece of legislation."

Source URL (retrieved on 01/29/2015 - 5:03am):

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