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Introduction

Senator Young and distinguished guests, thank you for holding this hearing right here in the heartland. That choice is itself a statement that America's bioeconomy is not built only on the coasts, and that the Midwestern states and small businesses doing the work deserve to be seen and heard at the national level. I am honored to be part of that conversation today.

My name is David Rosenberg, and I serve as the inaugural President and Chief Executive Officer of the Indiana University Launch Accelerator for Biosciences (IU LAB). And for the record, yes, those 2025 National Football Champion Indiana Hoosiers.

Before leading IU LAB, I had the privilege of serving as Indiana's Secretary of Commerce under Governor Eric J. Holcomb, leading the Indiana Economic Development Corporation (IEDC) from August 2023 through December 2024. In that role, I had a front-row seat to what it looks like when the state decides to compete, both seriously and strategically, for the industries of the future. Indiana achieved eight consecutive record-breaking years of economic development, culminating in 2024 with, just for that calendar year, more than $39.2 billion in committed capital investment and 17,062 new jobs at an average wage of approximately $75,000 per year. We helped launch a record 482 new businesses, assisted approximately 13,000 entrepreneurs and small businesses (a 30 percent increase over the prior year), and partnered with Elevate Ventures to make Indiana the most active venture capital investor in the Great Lakes Region.

Among the most consequential investments of those years were the ones we made in Indiana's life sciences sector: securing Eli Lilly's commitment to invest more than $13 billion at the LEAP Research and Innovation District; attracting the Heartland BioWorks Tech Hub and its $51 million in federal implementation funding through the U.S. Economic Development Administration; and supporting the ecosystem of companies, startups, and universities that have made Indiana's life sciences economy one of the most dynamic in the nation. I came to understand, through that work, that life sciences is not just an economic asset but a national security asset. The small businesses that power this are, in the most direct sense, instruments of American competitiveness.

I came to lead IU LAB because I believe the next chapter of both Indiana's economic story and America's biotech competitiveness runs through the same place, and the ability to translate our world-class university research into small businesses, startups, and technologies is essential to keep the United States ahead of our competitors. Framing this hearing on how small businesses power innovation and strengthen the competitiveness of the United States in the biotechnology sector is the mission behind IU LAB.

I believe the next frontier of Indiana's and America's competitiveness has a few critical elements:

- Turning university research into commercial products and companies,
- Scaling startups through access to lab space, capital, and mentorship,
- Deepening partnerships with industry and health systems to reinvest and innovate, and
- Educating, training, and retaining the next generation of life science talent.

IU LAB is a vehicle to make that happen. After our first year of operations, I am proud to bring that story before this Committee.

The National Stakes: Biotechnology, Competitiveness, and Why Small Businesses Are the Answer

The United States is in a race. Our strategic competitors have identified biotechnology as a core pillar of national power, investing heavily in domestic biomanufacturing, biodefense, agricultural biosecurity, and AI-driven drug discovery. The question before Congress is not whether America will have a bioeconomy. The question is whether America will lead it.

The answer to that question will not be determined solely by the investments made by large pharmaceutical companies or federal laboratories. It will be determined, in large part, by whether small businesses have the infrastructure, capital, and regulatory environment they need to survive and scale. These are the critical early-stage biotech and medtech companies that move fastest, take the biggest scientific risks, and translate university discoveries into commercial products.

That is the hearing's core insight, and it is one I can speak to directly. Small businesses are the engine of biotechnology innovation. They are where mRNA technology became a platform. They are where CRISPR went from a journal article to a therapy. They are where AI-driven diagnostics, novel surgical devices, and next-generation biomanufacturing processes are being built right now, in labs and garages and accelerators across this country, including Central Indiana.

Indiana is already a global leader in life sciences. Our sector represents a $102 billion annual economic footprint, employs 70,000 workers in life sciences alone at an average wage of $177,000, with more than 386,000 workers in the broader healthcare and life sciences economy. Our state is also home to more than 3,300 establishments spanning therapeutics, medical devices, diagnostics, radiopharmaceuticals, and agricultural biosciences. Indiana is, as of 2025, the Radiopharmaceutical Capital of the World and the reigning Orthopedics Capital of the World.

But Indiana's story is not simply a state success story. It is a proof of concept for what American competitiveness in biotechnology can look like when the right pieces are in place. This includes the requirements to have great research universities, committed industry partners, accessible capital, and the infrastructure to connect them. The question for Congress is how do we double-down on ecosystems that are working, like Central Indiana, and replicate this model, at scale, across the country?

IU LAB is our answer to that question, and the evidence from our first year suggests it is working.

IU LAB: Building the Infrastructure for American Biotech Leadership

In December 2024, Indiana University launched IU LAB with a $138 million grant from Lilly Endowment Inc. This was in addition to IU's own historic $250 million investment in bioscience innovation announced in 2023. Together, these commitments represent a fundamental bet that Indiana University can become the academic anchor of a globally competitive life sciences innovation ecosystem.

IU LAB is not simply a building or a program. It is a comprehensive, first-of-its-kind academic-industry initiative built around five integrated components: an Academic Gateway offering new

degrees and credentials aligned to workforce needs; a Futures Center providing hands-on experience with AI, biomedical engineering, and emerging technologies; a Bio Start-Up Center for company incubation and acceleration; a Public-Private Partnerships Center for industry-faculty collaboration; and a Joint Center of Excellence for Point of Care Precision Medicine. IU LAB's permanent home in Indianapolis' 16 Tech Innovation District will be a five-floor, 150,000-square-foot facility slated to open in 2027, sitting in direct proximity to IU Health's new downtown hospital, Eli Lilly and Company's headquarters, Roche's North American Headquarters, the Indiana Biosciences Research Institute, and the Regenstreif Institute.

IU LAB is not exclusive to Indiana University. Instead, IU LAB serves as an open, collaborative platform that recruits companies from around the world to participate in cohort-based incubator programs. These companies work alongside faculty innovators from IU as well as other universities across Indiana, fostering a broader, statewide innovation network.

IU LAB is designed with the purpose of shortening the distance between a discovery made in an IU laboratory and a product that reaches a patient, a soldier, or a market, while educating and training the life sciences, biotech and AI leaders of the future. This is not just good for Indiana. It is good for America.

Year One: Proof of Model

Even before our permanent facility opens in Fall, 2027, IU LAB has demonstrated that the model works and that Indiana can serve as a national template for university-driven biotech competitiveness. In our first year, we achieved results that validate both the concept and the urgency.

Landmark Industry Partnerships

IU LAB introduced a new 'All Services' model for industry collaboration, designed to remove the administrative friction that has historically slowed university-industry partnerships. Two landmark agreements in our first year demonstrate this model at scale.

The first is a five-year Master Collaboration Agreement with Cook Medical, one of Indiana's largest employers, covering all IU campuses and all services, designed to enable direct, agile collaboration between IU researchers and Cook on real-world clinical challenges. The first announced project came on March 10, 2026, when Cook Medical selected Indiana University as one of the first Interventional MRI Centers of Excellence designed to accelerate the advancement, validation, and clinical integration of innovative MRI-guided technologies, making certain medical procedures safer, more precise, and less invasive for patients.

The second agreement is a $40 million agreement with Eli Lilly and Company, IU's single largest industry-sponsored research agreement in history, focused on expanding clinical trial access for Hoosiers, advancing Alzheimer's and neurodegenerative disease research, and developing the next generation of bioscience talent for Indiana. The partnership is already producing results. IU and Lilly are building what will be a best-in-class clinical trial infrastructure designed to expand access to cutting-edge treatments for Hoosiers who today may live too far from a major academic medical center to participate. For Alzheimer's patients in rural Indiana, where the disease burden is high and specialist access is limited, this partnership is not a press release but a potential lifeline.

Building the Startup Pipeline

IU LAB is actively building and supporting the small companies that are the future of Indiana's and America's bioeconomy.

The IU Health Incubator at IU LAB is a three-year partnership to support and scale startups through a pre-accelerator and accelerator, hosting up to 40 startups per year. These startups are being recruited from across the country to come to Indianapolis, with the goal of keeping many of them here. Powered by gener8tor's gBETA program, the pre-accelerator supports up to 10 companies per year through a seven-week intensive program. The LifeTech Accelerator, powered by Plug and Play and the Central Indiana Corporate Partnership, supports up to 30 companies per year.

The companies in these programs represent the full arc of what the bioeconomy can look like when the right infrastructure is in place. OsseoLabs, an IU spinout combining AI and 3D printing to transform orthopedic surgical procedures, is on track to scale its platform across Indiana's world-leading orthopedics corridor. Amplified Sciences, developing molecular diagnostics for earlier detection of pancreatic cancer, raised a seed-plus funding round, secured an exclusive license from the University of California San Francisco, achieved IRB approval and CAP Accreditation, and was selected as a finalist for the Cancer Fund Impact Investments, all in 2025. Qwyn AI, applying agentic AI to pharmaceutical manufacturing deviation management, launched its minimum viable product, ran a successful pilot with an enterprise pharma company, and secured its first annual customer.

These are small businesses. They are the American bioeconomy. And they are here in Indiana because our ecosystem built a place for them. The federal programs that support companies like these, including SBIR, STTR, and the ecosystem investments that make accelerators like ours possible, are not line items. They are the foundation of American biotech competitiveness.

These companies are not theoretical. They are the next Eli Lilly. Moderna commercialized mRNA technology originally developed at MIT and Harvard. Genentech grew from foundational research at UCSF. Illumina was built on technology licensed from Tufts University. In each case, federal funding, through SBIR, STTR, and broader support for university research, helped make it possible. Indiana is building companies with that same potential.

Workforce and Academic Innovation

IU LAB is reshaping how Indiana University prepares the next generation of bioscience and AI leaders. Several new bioscience degrees have been approved across IU campuses. IU LAB's future facility will be home to the Luddy School of Informatics, Computing and Engineering's Department of Biomedical Engineering and Informatics, providing students with embedded access to industry partners and applied research.

IU has launched courses for Gen AI 101 and Gen AI 201 to serve as the core foundation and connective tissue linking education and application, while increased student AI adoption sustains and amplifies these efforts. Over 120,000 students, faculty, staff, and alumni have enrolled in these courses. We see an opportunity to build something impactful in Indiana and replicable beyond it, a model for how states can organize around AI-enabled discovery and real-world deployment.

Today, IU undergraduates are developing breath-based diagnostic systems in campus nanotechnology labs. Graduate students are completing industry capstone projects with Cook

Medical and Lilly researchers. These students are not just learning about the bioeconomy, they are building it. Between 2022 and 2024, average wages in Indiana's life sciences sector grew from $110,000 to $177,000. Retaining that talent in Indiana and, more importantly, growing more of it, is not just a workforce priority. It is a national competitiveness priority.

IU Inc.: Building an Institution That Can Compete

In February 2026, the IU Board of Trustees authorized the formation of IU Inc., a new 501(c)(3) nonprofit structure designed to accelerate IU's role as an innovation driver for industry and government partners. IU Inc. will serve as the front door for partners seeking to connect to IU's more than $1 billion research enterprise, and will initially include IU LAB, the IU Applied Research Center, and IU Realty.

IU Inc. is modeled after successful innovation entities at Arizona State University, the Georgia Institute of Technology, and other leading R1 research institutions. It positions Indiana University to move at the speed of industry, competing for large-scale, multi-organization research initiatives in biosciences, microelectronics, artificial intelligence, and national security while also providing more agile pathways for startup formation and industry engagement.

This is a strategic signal that Indiana University is an innovation partner and that we intend to compete internationally. For Congress, IU Inc. matters for the practical reason that federal agencies and major research programs increasingly award large consortium grants to institutions that can demonstrate the organizational agility to move from proposal to execution at the speed of a private-sector partner. Today, that organizational capacity is largely concentrated at a handful of coastal institutions. IU Inc. changes that calculus for Indiana and for the broader category of high-capacity research universities in states that have historically been underrepresented in large-scale federal R&D investment. When Congress funds discovery, it should fund the full geographic breadth of American research excellence. IU Inc. is our answer to that call.

IU LAB and America's National Security Bioeconomy

Senator Young, I want to take a moment to speak directly to work that you have championed and that Indiana University is actively advancing.

The National Security Commission on Emerging Biotechnology, which you chair, set a clear direction to treat biotech as a strategic priority, mobilize the private sector, build the workforce, and out-innovate our strategic competitors. This is not simply a defense agenda, but it's economic growth and public health. It's exactly what IU LAB was built to do.

Indiana University is acting as a first mover, investing in our faculty and research to align with this national strategy.

In November 2025, IU LAB launched a new internal funding opportunity and awarded eight IU LAB National Security Biotechnology Challenge Grants to interdisciplinary research teams across IU. These grants were explicitly designed to align IU's research capacity with the NSCEB's six strategic pillars - from scaling innovation and strengthening defense applications to building the future workforce: prioritizing biotechnology at the national level; mobilizing the private sector to scale American products; maximizing the benefits of biotechnology for defense; out-innovating

strategic competitors; building the biotechnology workforce of the future; and mobilizing the collective strengths of our nation's allies and partners.

The eight funded projects span the full range of what it means to be competitive at the frontier of biotechnology: AI-driven disease modeling, bio-inspired computing, agricultural resilience, brain organoids, stem cell collaboration, accelerated healing technologies, and sustainable biomanufacturing using engineered organisms.

These are not incremental efforts. They are built to compete for the next wave of federal investment and to deliver real national impact. As you said when these grants were announced: this program is 'a great example of how our Hoosier research community can help promote U.S. biotech and bolster our national security.'

IU LAB's role is not just to incubate startups or forge industry partnerships, although we do both. IU LAB is a bridge between university research and national priorities. We look forward to continuing our partnership with the federal government to advance this critical work and ensure our interdisciplinary teams are positioned to lead as new funding opportunities emerge.

What Congress Can Do: Four Investments to Secure American Biotech Leadership

Indiana is building the infrastructure of biotech innovation. Further, sustained investments for non-coastal sites like Indiana, with world-class research universities and proven industry ecosystems, will allow more researchers to compete on a national level and anchor America's biotech competitiveness in every region of the country. I believe Indiana has done its part in proving these capabilities and positioning our state to have more of a transformational impact with the right investments.

Our team at the IU LAB is consistently approached by both IU-affiliated and non-affiliated startups looking for direction and assistance to foster innovations, bridge the gap between discovery and the private investment market, and find the necessary talent to scale an idea. Based on these conversations and suggestions from biotech founders, I humbly submit four considerations.

1. Prioritize Biotechnology and Sustain and Expand SBIR/STTR Funding

To treat biotechnology as a true national priority, Congress must sustain and expand SBIR and STTR as these are the most effective tools for translating university research into private-sector innovation. Founders have a desire to pursue SBIR/STTR funding to bridge this gap and the proof-of-concept runway that non-dilutive federal funding provides. A company like Amplified Sciences, that is developing diagnostics for earlier detection of pancreatic cancer, cannot reach Series A investment without the non-dilutive runway that these programs provide. If we reduce this support, we are ceding the next generation of biotech companies to global competitors who are actively funding them.

2. Mobilize the Private Sector by Streamlining Regulation for Biotech Startups and AI-Enabled Medical Technologies

If we expect the private sector to scale innovation, we must reduce the friction that slows it down. Regulatory complexity is one of the most consistently cited barriers among the small companies in our ecosystem. Early-stage founders building novel therapeutics, diagnostics, and AI-powered medical tools are navigating FDA clearance, clinical trial authorization, and reimbursement

frameworks simultaneously, often without dedicated legal or regulatory staff. Our competitors are not waiting for regulatory certainty before they invest. They are investing and scaling now. The U.S. must ensure that its regulatory system enables innovation rather than delays it. Supporting early-stage companies and the ecosystems around them ensures the U.S. can develop, produce, and deploy critical technologies domestically, rather than relying on foreign sources.

3. Invest in University-Industry Partnership Infrastructure

To out-innovate strategic competitors, the U.S. must invest in the infrastructure that connects research to commercialization. The IU LAB model is proof of concept but building this kind of infrastructure requires significant upfront capital that most universities, even great ones, cannot generate independently. Even once established, the funding for research, innovation and commercialization can be difficult to find and access. Expanding federal programs that co-invest in university-industry partnership infrastructure, with particular emphasis on states and regions that have deep research capacity but lack the dense coastal venture capital, could expand industry partnerships, the ability to commercialize new products and scale companies.

4. Build the Biotechnology Workforce of the Future

Workforce is the single greatest constraint on growth. At IU LAB, we are building scalable pathways into bioscience careers. We are already embedded in the Indiana Career Apprenticeship Pathway, a statewide initiative now led by BioCrossroads as the designated Industry Talent Association for life sciences, which is building direct, scalable career pathways for students and job seekers into high-demand, high-wage bioscience roles. We have approved new bioscience degree programs across IU campuses. We are co-designing curriculum with industry partners so that what a student learns in their second year at IU is directly relevant to what Cook Medical or Lilly or one of our accelerator startups needs on day one. And we have anchored the Luddy School's Department of Biomedical Engineering and Informatics inside IU LAB's future facility, so that the boundary between education and industry is not a wall, but a hallway.

Workforce can be the difference between a company located in the United States or elsewhere. Nearly every employer I spoke with as Secretary of Commerce and now in our IU LAB network says workforce is the key constraint on growth. Between 2022 and 2024, life sciences wages in Indiana grew by 61 percent. The sector is growing faster than we can fill it. If we cannot produce enough trained bioscience professionals to staff the companies we are building and attracting, we will not be able to sustain American leadership in this sector. Federal investment in stackable bioscience credentials, graduate research fellowships tied to industry partnerships, cooperative education models embedded in innovation districts, and youth career pathway programs would allow us, and institutions like ours across the country, to scale what is already working.

Conclusion

The question this hearing asks is how small businesses power innovation and strengthen U.S. competitiveness in biotechnology. I believe Indiana has been answering this question, in real time, for the past several years. Our answer is IU LAB. Our answer is the LifeTech Accelerator, and the 12 companies building inside it. Our answer is Amplified Sciences and OsseoLabs and Qwyn AI. Our answer is eight research teams positioned to compete for the next generation of national security biotechnology investment. Our answer is a $102 billion life sciences economy that is still growing.

Senator Young, thank you for the quote you shared when IU LAB was announced, that IU LAB would help 'meet critical industry needs related to developing the next generation of talent, completing groundbreaking research, and nurturing life science innovations from bench to bedside'. That is exactly what we are building.

Indiana University is competing, and winning, not just on the football field but at the global frontier of bioscience innovation. We are doing it in partnership with small businesses and global leaders alike. We are doing it because this state has the talent, the research depth, and the determination to lead. In our first year, we forged partnerships with Lilly and Cook Medical, launched accelerators supporting early-stage companies, stood up new degree programs aligned to workforce needs, and established IU Inc. as a national model for agile university-industry engagement. Eli Lilly became the world's first trillion-dollar healthcare company. Indiana's life sciences M&A activity reached $6.8 billion. Indiana's research institutions generated more than 1,000 new patents.

This is what a working ecosystem looks like. With the right federal partnership, Indiana and universities like ours can ensure that the future of the American bioeconomy is built here, by the small businesses and entrepreneurs who are already doing extraordinary work.

I am grateful for the opportunity to share IU LAB's story, and I welcome your questions.

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