



For Immediate Release: Wednesday, August 5, 2020

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**The Medical Alley Association Thanks U.S. Representative Phillips
for Introducing the *IGNITE American Innovation Act***

Medical Alley, Minnesota — The Medical Alley Association and industry leaders applaud U.S. Representative Dean Phillips for his introduction of legislation that provides immediate access to much needed capital for innovative companies located in Medical Alley and throughout the United States. The COVID-19 pandemic has significantly impacted the health technology ecosystem in Minnesota and continues to drive a high level of uncertainty for the thousands of employers and employees throughout the region. U.S. Rep. Phillips's *IGNITE American Innovation Act* enables qualifying organizations to accelerate access to their accrued Net Operating Losses (NOLs) or Research and Development (R&D) Credits immediately through a one-time refundable tax credit, providing these employers with critical financial flexibility as this pandemic persists. Health technology and therapeutics companies invest millions of dollars in research, development, payroll, and other expenses to advance public health and patient care, often for many years, before receiving product approval or reaching profitability. Allowing innovators to access these credits immediately will provide much needed liquidity at a time of great economic uncertainty.

"We are grateful for U.S. Rep. Phillips's continued leadership and advocacy for the health technology and care industry and small businesses located in Medical Alley", said Shaye Mandle, President and CEO of the Medical Alley Association. "At a time when innovation in therapeutics and care delivery is desperately needed, patients throughout the country are fortunate to have U.S. Rep. Phillips working to ensure continued development of, and access to, these products."

"CVRx is deeply appreciative of U.S. Rep. Phillips's work on behalf of health technology innovators everywhere," said Nadim Yared, CEO of CVRx, "As a company that recently received marketing approval, we know how challenging it is to continue operations even during the best of times. COVID-19 presents an even greater challenge and this legislation will be extremely helpful to innovators in all fields."

"Every dollar is critical to early stage companies," said Tom Burke, CEO of Hennepin Life Sciences. "Being able to access our net operating losses now, rather than in the future, will help companies like ours continue to innovate and bring forward the life-saving therapeutics needed by patients around the world."

"Patients cannot afford a slow-down in health technology innovation," said Kathleen Skarvan, President and CEO of Electromed. "Immediate access to research and development tax credits enables innovators from all sectors of healthcare to continue pushing forward on the devices, treatments, and therapeutics that will continue improving quality of life and save lives for patients of all disease states."

The *IGNITE American Innovation Act* forwards NOL deductions or R&D credits to be immediately available, rather than taken against future tax liability. This significantly reduces the budgetary impact of these measures while still providing needed capital to businesses across industries.

About Medical Alley Association

Founded in 1984, the Medical Alley Association supports and advances the global leadership of Medical Alley's healthcare industry, and its connectivity around the world. MAA delivers the collective influence, intelligence and interactions that support Medical Alley.

www.medicalalley.org

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