

NewsWatch

Animal Health Corridor has powerful enclave of industry leaders

BY P.J. GRIEKSPoor

THE Kansas City Animal Health Corridor is an economic development effort started in 2006 to attract a concentration of animal health companies to a corridor anchored on one end in Manhattan, Kan., and on the other in Columbia, Mo., with the Kansas City area as a center.

Figures compiled for a 2014 study from Axxiom Consulting found that companies located within the corridor represent 56% of total worldwide animal health, diagnostics and pet food sales.

The degree of development and concentration of animal health companies is no accident. For a decade, officials have engaged in cooperation, teamwork and strategic focus to encourage companies to locate and grow in the region.

Several of the companies that are part of the corridor have been in the Kansas City area for a long time. Others are new. In all, more than 300 businesses are part of the effort.

Of those, about 100 are primary animal health companies, says Kimberly Young,

Key Points

- Kansas City Animal Health Corridor is an economic development effort.
- For 10 years, region has worked to attract animal health companies.
- Education and workforce training are also part of the corridor plan.

corridor president. The rest are support companies that provide essential services or help train workers for the primary companies.

Merck is one of eight animal health giants with operations in the corridor. The others, all in the world top 10, are Zoetis Inc., Merial Ltd., Elanco Animal Health, Bayer Animal Health, Boehringer Ingelheim Vetmedica Inc., Ceva Animal Health and Idexx Laboratories.

The desirability of the region got a significant boost when the Biosecurity Research Institute opened at Kansas State University in 2007. It is poised to see explosive growth when construction is complete and research begins at the new National Bio and Agro-Defense Facility seven years from now.

“Our idea starting out was to help our



TEACHING MOMENT: Izabela Ragan (left), who holds both a veterinary medicine degree and an academic doctorate, works with graduate student Anna Stoin in the porcine disease research laboratory at Kansas State University. The Biosecurity Level 2 lab allows more students to participate in research projects and provides training to help them move into private industry jobs — or into open positions at the BSL-3 Biosecurity Research Institute or eventually, to the BSL-4 National Bio and Agro-Defense Facility under construction in Manhattan. It also provides training for workers at any one of hundreds of animal health companies that have their headquarters in the Animal Health Corridor.

existing companies thrive and grow in this region,” Young says. “We want to help other companies see the opportunities for success in being located here.”

In addition to private companies, the corridor is home to top notch land-grant University veterinary medicine schools at Kansas State University and the University of Missouri. Within a 300-mile radius are four of the leading veterinary schools in the country, with more than 1,500 students now enrolled, according to the Axxiom study.

In addition to K-State and Mizzou, there is top-notch research being done at the Stowers Institute for Medical Research and the University of Kansas.

Since the KC Animal Health Corridor launched in 2006, 31 animal health companies have located there, pledging to create 1,368 new jobs and resulting in \$78.6 million in new payroll. They have made a total \$872.5 million capital investment in the past decade.

Companies with U.S. headquarters make up 29% of the worldwide sales of animal health products and diagnostics, which represents just over \$7.1 billion.

In addition, according to the survey, companies with a business location within the Kansas City Animal Health Corridor represent 75% of the worldwide sales of animal health products and diagnostics, which represents just over \$19 billion.

Corridor companies represent 49% of global pet food sales, with a total of \$30 billion in sales and 56% of the total global animal health, diagnostics and pet food sales which totals almost \$50 billion in sales.

Companies with U.S. headquarters in the Kansas City Animal Health Corridor have 23% of the total U.S. animal health and diagnostic sales, a total of \$2.1 billion.

Corridor companies represent 82%, or \$7.4 billion, of total U.S. animal health and diagnostics sales.

They account for 61%, or just over \$14 billion, of the total pet food sold in the U.S., and 67% of the total animal health, diagnostics and pet food sold in the U.S., a total of \$21.5 billion in sales.

There are four distributor buying groups located in the corridor, representing about 50 animal health products distributors.

Career and educational opportunities for workforce development in the corridor are strong, according to the corridor website. Companies can post open positions on *indeed.com*, *careerbuilder.com* and *monster.com*. From those websites, the positions will automatically be pulled into *explorekccareers.com*, a website that helps potential applicants explore what training and education is offered in the area.

Corridor companies and continuing education programs support the Manufacturing Technician 1 certification, a three-year program which demonstrates an individual has acquired the basic skills for manufacturing and production.

Job candidates who have completed the program get preferred status when they apply for jobs,

There are also training programs for those wishing to pursue a career as a veterinary technician, as well as private training options for those in the animal health industry.

Among the educational institutions are Animal Health Training Solutions, Emporia State University, Johnson County Community College, Kansas City, Kansas Community College, Kansas State University College of Veterinary Medicine, Kansas State University-Olathe, Metropolitan Community College, Missouri Western State University, Northwest Missouri State University, the University of Kansas, the University of Kansas Medical Center, the University of Missouri College of Veterinary Medicine and William Woods University.

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