Economic Impact of NJ Pharmaceutical & Medical Technology Industry



Client

Facts

Period 2004

Project Country

New Jersey is widely recognized as the home of more pharmaceutical and medical technology companies than any other state in the US. That makes it particularly important to track changes in the economic role and vitality of the industry in New Jersey.

Accordingly, the Health Care Institute of New Jersey (HINJ), trade organization of the major pharmaceutical companies in the state, engaged the team of Deloitte Touche Tohmatsu and Economic Development Research Group (EDR Group) to survey the industry and examine its evolving role in the state's economy.

The study focused on documenting a variety of key economic indicators:

- Employment and Types of Jobs
- Quality of the Workforce
- Average Wage Levels
- Vendor-Related Spending
- Capital Spending
- R&D Investment
- Charitable Contributions
- Tax Revenues Generated

Deloitte, as the lead firm, was supported by EDR Group which analyzed survey findings and applied economic impact models to identify the bottom line impacts for the state. The study found that New Jersey's pharmaceutical industry contributed $23.8 billion in business sales in the state's economy in 2003, supporting 156,000 jobs (63,000 direct + 93,000 spin-off jobs) with a payroll impact of $6 billion. In addition, the industry provided charitable contributions totaling $155 million and provided $213 million in state sales and income tax revenues.

Contact Persons