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Photo by Jamie Scott Lytle
Phillip Britanabe, senior research associate at Halozyme, tests PEGPH20 in the company's lab.



Platform Delivers For Halozyme

BIOTECH: Co. Finds Right Balance for Work On Drug, Delivery System

■ By JARED WHITLOCK

Halozyme Therapeutics seeks big returns on two fronts. Royalties in one could hit nearly \$1 billion by 2027. The other holds even bigger potential. The San Diego company is cashing

in on its drug delivery platform, and it's in final clinical trials with a cancer drug. Halozyme's dual focus — a differentiating factor — brings financial flexibility, with the challenge of uniting employees under one banner.

The delivery platform, Enhanze, allows for drugs to be absorbed under the skin, or subcutaneously, a much quicker method than intravenous infusion. On the back of mammoth Enhanze deals, Halozyme reported

\$316.6 million in 2017 revenue, an increase of 116 percent from the prior year, and up 134 percent from 2015.

In fourth quarter of 2017 alone, the company posted \$189.6 million in revenue, topping analysts' average expectation by \$28.1 million.

Platform's Big Potential

"We see many drugs that could benefit from our technology, and

➔ Halozyme page 38

Millenia Office Project Among Largest in West

SOUTH COUNTY: Construction Expected to Begin in September

■ By RAY HUARD

A huge office campus which Chula Vista officials said could transform the city from a bedroom community to the employment center of South County is close to becoming a reality, with developer Chesnut Properties

Lee Chesnut having invested about \$10 million in the site and construction expected to begin in September.

At a cost of more than \$500 million and with

➔ Millenia page 32



Lee Chesnut

Defense Work Demand Soars For Cobham

DEFENSE: Co. Is Hiring; Local Facilities Expand

■ By BRAD GRAVES

At Cobham PLC's Kearny Mesa factory complex, technicians bend over microscopes, applying deft touches to the defense contractor's electronic products.

A short distance to the north, F/A-18 Super Hornets and other military aircraft fly in and out of Marine Corps Air Station Miramar. United Kingdom-based Cobham says every fighting aircraft in

➔ Cobham page 33



Thena Fantasia

SDBJ THE LISTS

Wealth Management Firms 13
Securities Dealers 15



Sempra May Simply See A Good Buy in Oncor vs. An Expansion

UTILITY: Well-Managed Co. Could Help Diversify Earnings

■ By JOHN COX

Sempra Energy looks set to buy a utility operating in a state where demand for power is grow-

ing, within a region where it already owns significant energy infrastructure, adjacent to a foreign country where it has a strong industry foothold.

But don't expect its \$9.45 billion bid for Dallas-based Oncor Electric Delivery Co. LLC — likely headed for approval after an extended sale process — to plug into a re-

gional strategy any time soon. Nor does the deal necessarily portend additional bids by Sempra for large Gulf Coast assets.

For all Sempra's talk of the purchase propelling it to become a major player in the region, industry analysts say the San Diego-based

➔ Sempra page 30

8 Startups: UC San Diego wants to raise its grades in innovation, commercialization

10 Industrial: Big project could be among last additions in crowded Oceanside



11 Wealth Management: Investors increasingly seek outlets for social, environmental options



COMMENTARY

Editorials, letters, columns and other opinions

Qualcomm Vote Crucial to Region's Civic Future



COMMENTARY

Kevin Carroll

The year is 1999. I'm sitting outside **Irwin Jacobs'** office, preparing for my first meeting with the CEO of **Qualcomm**. I remember Jacobs' first words well: "Welcome to San Diego, Kevin, how can I help you?"

And there it is, Jacobs asking how he can help *me*, not the other way around.

I was struck by his smile, energy and his eagerness to find out more about me. That is the quintessential Qualcomm culture, and Irwin embodied it in every way. Fast forward nearly 20 years, and at this very moment we're at risk of losing this pillar as an independent company in San Diego.

The Impact

On a basic level, Qualcomm employs about 13,000 people locally, impacting approximately \$3.4 billion in wages in the regional economy. According to the 2017 Qualcomm Economic Impact Report compiled by the **San Diego Regional EDC**, every dollar generated by the company results in an increase of almost \$2 in the region's GDP.

How does that measure up? In 2017, the total economic impact of Qualcomm on the region's economy was an estimated \$4.9 billion, the equivalent of 35 Comic-Cons. A similar economic study in 2013 equated Qualcomm's overall economic impact to holding one and a half **Olympic Games** every single year.

The combination of entities in Qualcomm's supply chain and complementary lines of business is the primary contributor to making America's Finest City a leading global technology cluster. This ecosystem also gives San Diego the healthy kind of bragging rights that push a city forward.

An Anchor

We can point to Qualcomm as an anchor that gives us credibility in the technology industry, draws talent and money to the area, and a source of innovation and expansion.

Our resident tech powerhouse has also spawned many new technology companies, most recently **Brain Corp.**, which just last year announced \$114 million in Series C funding and is now one of the fastest-growing tech companies in Southern California. And that's just one example of more than a dozen spin-off entities.

There's no doubt that this enterprise offers absolutely invaluable assets to the local tech collective and larger San Diego community as a whole.

Broadcom Pullback in OC

Many others in my network share my concerns about a possible acquisition by a company headquartered not only outside Southern California but outside the U.S. I urge all of you to look at Irvine and the acquisition of **Broadcom**, once the largest tech company in Orange County and a provider of civic leadership.

Broadcom in Irvine is now a shell of what it once was. The impact was felt

not only by employees who lost their jobs but throughout Orange County as **Broadcom** support for broad array of civic initiatives fell at alarming rates immediately after the acquisition.

Imagining San Diego without Qualcomm is difficult. Without it, we wouldn't have the **UC San Diego Jacobs School of Engineering** or the **Jacobs Medical Center**. There would be far fewer charitable contributions for many of our most valued causes and significantly less support of organizations that are promoting the city and its technology cluster.

That is a frightening prospect for an area trying to secure its place in the competitive global technology scene.

Locally Vested

Technology headquarters make regional investments, and their senior executive teams are vested in the area. But more, they are our neighbors who become a part of the civil discourse of the community. Many of Qualcomm's employees are actively engaged in the community, serving on boards and volunteering thousands of hours with local nonprofits. The broad scope of Qualcomm's investment in San Diego will become very apparent if we lose them to an outside acquisition.

Ahead of the upcoming stockholder vote, Qualcomm is still an independent company headquartered in San Diego. Qualcomm is still Qualcomm. I hope it stays that way.

Kevin Carroll is the executive director of Tech San Diego, a trade group supporting the local technology sector.

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