

Shadyac: St. Jude's strategic plan will create \$3.5 billion annual economic impact

Dec 12, 2016 [Michelle Corbet](#) *Memphis Business Journal*

Though [Tennessee Gov. Bill Haslam was in Memphis this week](#) to announce the state's commitment to St. [Jude Children's](#) Research Hospital, the plan has actually been in the works for more than a year.

Dr. [James R. Downing](#), president and CEO of St. Jude, first revealed the **hospital's six-year strategic plan, which includes an expansion of up to \$7 billion**, in November of last year.

“[When I first shared our strategic plan](#) with the Memphis community, it was a bold, strategic plan,” Downing said.

The plan is for St. Jude to increase patients on its Memphis campus by 20 percent, double the number of children treated by St. Jude protocols around the world, make significant investments in precision medicine, recruit new individuals to the workforce and invest in the infrastructure needed to fulfill that vision.

“Now starting the second year of that strategic plan, I cannot be more pleased to share with you that we have already made progress that is making life-saving differences for children around the world,” Downing said.

[In August, St. Jude moved into the new, \\$40.5 million in-patient facilities at the Kay Research and Care Center.](#) The state-of-the-art rooms allow St. Jude to deliver the most advanced care for children with cancer and other terminal illnesses, while also creating a “home away from home,” Downing said.

To fulfill its vision, the hospital and its fundraising arm **will need to create 1,800 new jobs**, some of which have already been filled.

“To accomplish our mission we are going to have to recruit a number of people — physicians, scientists, staff — really from around the world to this great city,” Downing said. “[This partnership, this investment in the area around St. Jude](#), will have a direct affect on our ability to recruit the best and brightest minds from around the world.”

Total expenditures for ALSAC and St. Jude during this strategic expansion are close to \$9 billion, including both expansion plans and ongoing operations, said ALSAC president and CEO [Rick Shadyac](#). “Approximately \$8 billion has to be raised by the public to fulfill our strategic plan goals.”

ALSAC is the fundraising arm of St. Jude.

Today, the combined economic impact of St. Jude and ALSAC is estimated to account for more than \$2.5 billion in tax revenues and economic activity. By the time the plan is completed, Shadyac estimates the impact will be closer to \$3.5 billion to \$4 billion per year.

“Our expansion includes close to \$1.3 billion in new capital investment and an additional \$1.7 billion in additional operational spend over the life of the six-year plan, which began in 2016,” Shadyac said. “That’s a total of \$3 billion in additional strategic investment right here in Memphis, Tennessee.”