

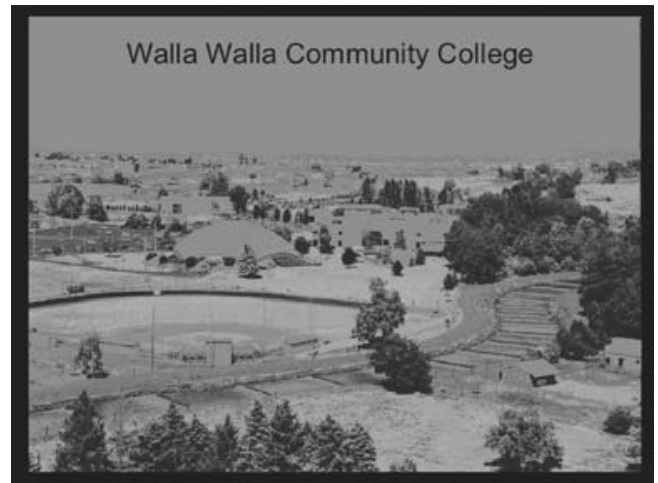


**Enhancing Rural Prosperity**  
at  
**The Center for Enology and Viticulture**  
Walla Walla Community College

**Putting It Together: The Role of Entrepreneurship in Economic Development**  
Washington, D.C.

Sponsored by:  
The Office of Advocacy of the Small Business Administration,  
The Ewing Marion Kauffman Foundation, The Council of State Governments,  
and the National Lieutenant Governors Association.

Steven L. VanAusdle, President  
Walla Walla Community College  
Walla Walla, Washington  
March 7, 2005


**OUR VISION**  
Wine / Food / Art










**Statewide Industry Growth**

- **Acreage**
  - 11,000 acres in 1993 to 30,000 acres in 2004
- **Wineries established**
  - 19 wineries in 1981 to 320 wineries in 2004
- **Wine Production**
  - Increased from 2 million gallons in 1981 to 17 million gallons in 2004
- **Employment**
  - Projected up to 3 thousand new wine-related positions by 2006 (Washington State University Study 2001)



## Culinary Arts with a Focus on Pairing Food and Wine



## Promoting the Creative Economy



## Partnerships

- Walla Walla Wine Alliance
- Washington State Wine Commission
- Washington State University
- Yakima Valley Community College
- Blue Mountain Arts Alliance
- Walla Walla Valley Restaurants
- ETS Labs
- College Cellars



## Major Funding Partners for the Center

	Capital	Operations	Total
• College Foundation	\$2,898,229	\$ 25,000	\$2,923,229
• State Legislature	\$ 984,000	\$ 397,109	\$1,381,109
• County/Port	\$ 450,000		\$ 450,000
• Wine Commission	\$ 75,000	\$ 75,000	\$ 150,000
• Federal	\$ 98,800		\$ 98,800
<b>Totals</b>	<b>\$4,506,029</b>	<b>\$ 497,109</b>	<b>\$5,003,138</b>

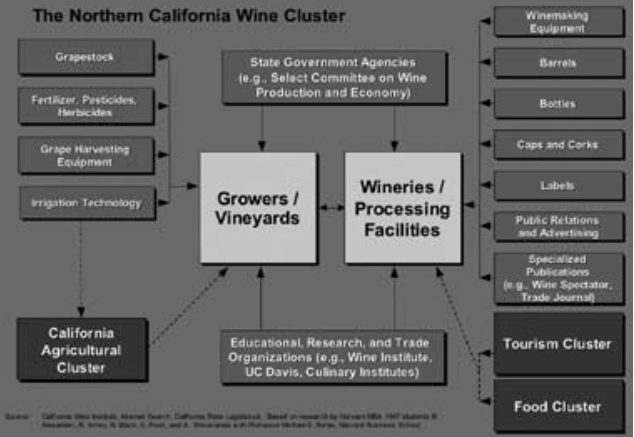
## Link to Economic Development A High Value-Added Industry



- 300 acres of unprocessed wine grapes generates the same revenue as 8,000 acres of 100 bushel/acre wheat.
- When processed, 300 acres of wine grapes generates the same revenue as 20,000 acres of 100 bushel/acre wheat.
- Wine production in 2004 contributed \$2.9 Billion dollars to Washington's economy.
- Wine production in Walla Walla County contributed over \$500 million to the local economy.
- Tourism is anticipated to produce more revenue than wine production. A wine tourist spends approximately 2.5 times as much as the average tourist at their destination.



### The Northern California Wine Cluster




## Are We Making A Difference? Key Economic Indicators 2000-2004\*

- Walla Walla wineries increased from 19 to 63.
- County Labor Force Growth / Loss
  - 1999 to 2001 Labor Force Losses 685
  - 2002 to 2004 Labor Force Gains 1,043
- County unemployment dropped from 6.5% to 5.0%.
- Median Home Prices increased by 49.8%.
- Tourism & Marketing
  - General Merchandising Retail Sales increased by 66.5% (2003)
  - Hotel / Motels Retail Sales increased by 60.9% (2003)

Sources: Washington State Employment Security Department, Labor Market and Economic Analysis Branch, January, 2005. Washington Center for Real Estate Research, 2004. Washington State Department of Revenue, 2004.

## Enhancing Prosperity in Wine Country

- Prosperity for all citizens is the fundamental goal of economic development.
- Productivity drives prosperity.
- Innovation drives productivity.
- Entrepreneurship is a necessary but not sufficient condition for innovation and productivity.
- Entrepreneurship and skilled human capital have become absolutely essential aspects of fostering innovation, productivity and prosperity.
- Walla Walla Community College plays a critical role by providing skilled workers and enhancing entrepreneurship.
- Walla Walla Community College is a leading partner in fostering economic development in wine country.



VINTAGE  
WALLA WALLA VALLEY

“There may not be a single thing that’s had as much impact on Washington State’s wine industry as the Walla Walla Community College’s Center for Enology and Viticulture.”

Vintage, Walla Walla Valley Magazine, Winter 2004, published by The Walla Walla Union Bulletin.



Wine is Prosperity in a Bottle



## Building Entrepreneurial Communities

THE KENTUCKY ENTREPRENEURIAL COACHES  
INSTITUTE (KECI)

Dr. Ronald Hustedde, Director and  
Tammy Werner, Program Coordinator

Presentation for Conference: Putting it Together: The Role of  
Entrepreneurship in Economic Development  
Monday, March 7, 2005  
Washington, D.C.



The Kentucky Entrepreneurial Coaches Institute

## The Economic Landscape in Rural Northeastern Kentucky:

- Decline in "old"  
economy industries
- Phasing out of burley  
tobacco – Kentucky's  
#1 cash crop



## Economic Development Policy in Kentucky:

- Focus on Industrial  
Recruitment
- Business Retention and  
Expansion
  - Incentive programs generally  
require a significant  
investment in human and  
financial capital



**But**  
– relatively little support  
for entrepreneurship

## Entrepreneurship flourishes in communities that are "entrepreneurial friendly"

### Characteristics of Entrepreneurial Communities include:

1. A critical mass of  
entrepreneurs
2. A distinct and recognizable  
network of entrepreneurs
3. A focus on entrepreneurship  
is reflected in the actions of  
the community (i.e., youth  
entrepreneurship programs,  
media spotlight, training  
opportunities,  
entrepreneurial facilitators)

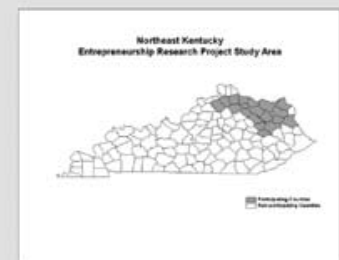


## Our Hypotheses:

- Lay entrepreneurial leaders are critical for  
building entrepreneurial friendly communities
- Lay leaders' knowledge, skills, and networking  
capacity can be strengthened through leadership  
development
- A regional network of lay entrepreneurial leaders  
is essential for building a strong entrepreneurial  
infrastructure

## The Kentucky Entrepreneurial Coaches Institute: Laying the Groundwork for Entrepreneurship

- Grant funded  
pilot program\*
- Focused on 19  
tobacco-  
dependent  
counties in  
Northeastern  
Kentucky



\*Funded by the Kentucky Agricultural Development Board

### Entrepreneurial Coaches are:

- Well trained volunteer lay leaders from across the 19 county region
- Selected in a highly competitive process
- Have received educational fellowships from the Kentucky Entrepreneurial Coaches Institute
- Come from diverse backgrounds

### Overview of the initiative

**Research Phase:** The State of Entrepreneurship in Northeastern Kentucky  
[July, 2003 – December, 2003]

#### Qualitative Research

- Met with approximately 400 people across the 19 county region
- Focus groups included farmers, business owners, members of the chambers of commerce, county extension service, school system, local government

#### Quantitative Research

- Analysis of secondary economic data (baseline data)
- Survey of farmers across the region (factors affecting diversification activities)

### Overview of the initiative

**Research Phase:** The State of Entrepreneurship in Northeastern Kentucky  
[July, 2003 – December, 2003]

#### Qualitative Research

- Met with approximately 400 people across the 19 county region
- Focus groups included farmers, business owners, members of the chambers of commerce, county extension service, school system, local government

#### Quantitative Research

- Analysis of secondary economic data (baseline data)
- Survey of farmers across the region (factors affecting diversification activities)

### Program Phase: Building a network of entrepreneurial coaches across the 19 county region

**Class I:** September 2004 – November 2006

- **30 lay leaders from across the region selected in a competitive process for KECI Fellowships**

**Class II:** September 2005 – November 2007

- **An additional 30 lay leaders from across the region selected in a competitive process for KECI Fellowships**

**Alumni Network:** Sustaining the entrepreneurial coaches network

- **Continued networking opportunities among the coaches**
- **Continued collaboration across county lines**

### Objectives of the Institute:

#### Objective #1.

To establish a tightly knit network of 60 entrepreneurial coaches and leaders across the 19 county region.



#### Objective #2.

To facilitate the emergence of a strong entrepreneurial culture in the targeted region.



### **Objective #3.**

To strengthen the entrepreneurial infrastructure in the region.



### **Evaluation of the initiative:**

- The effectiveness of the overall curriculum and of each module
- The coaches' networks
- The quantity and quality of coaching relationships
- The efficacy of the mini-grant projects
- Catalytic activity initiated by coaches
- Impact of KECI on level of entrepreneurial activity in the region

### **What can the states learn from the KECI model?**

- It invests in capacity building at the local level
  - The Institute is building on the assets of the community and its lay leaders from the "ground up"
- It complements the work of Small Business Development Centers, Innovation Centers, and other technical assistance providers

### **What can the states learn from the KECI model?**

- It focuses on volunteer lay entrepreneurial leaders from diverse backgrounds
  - These lay leaders are imbedded in an array of personal and professional networks within the local community, as well as at the regional and state levels;

### **What can the states learn from the KECI model?**

- This Kentucky initiative is an innovative grass roots approach
  - It can be duplicated in both urban and rural community or regional contexts

### **For additional information:**

- Website: [www.uky.edu/ag/KECI](http://www.uky.edu/ag/KECI)
- Contacts:


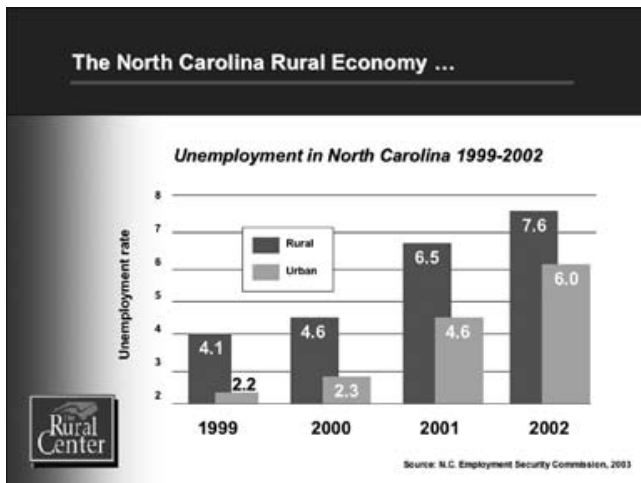
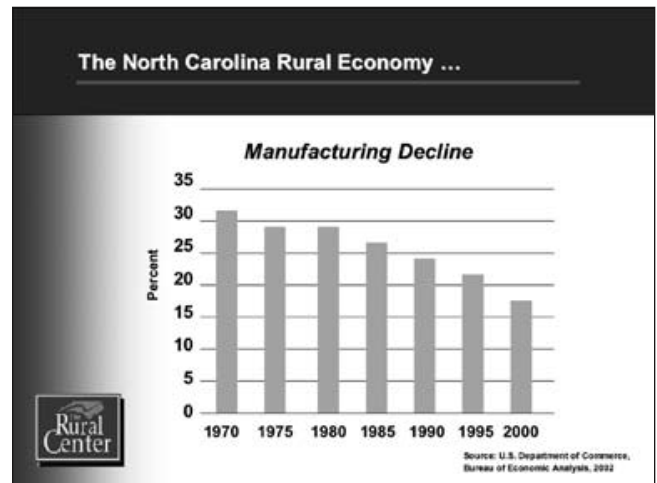
Dr. Ronald Hustedde, Director  
Phone: 859-257-3186  
E-mail: [rhusted@uky.edu](mailto:rhusted@uky.edu)

Tammy Werner, Program Coordinator  
Phone: 859-227-8144  
E-mail: [tammy.werner@uky.edu](mailto:tammy.werner@uky.edu)

### North Carolina's Institute for Rural Entrepreneurship

Presented by:  
Leslie A. Scott, Director  
Institute for Rural Entrepreneurship  
N.C. Rural Economic Development Center, Inc.

SBA Office of Advocacy's National Conference:  
**The Role of Entrepreneurship  
in Economic Development**  
Washington, DC  
March 7, 2005

### The Rural Center's Decision in 2003

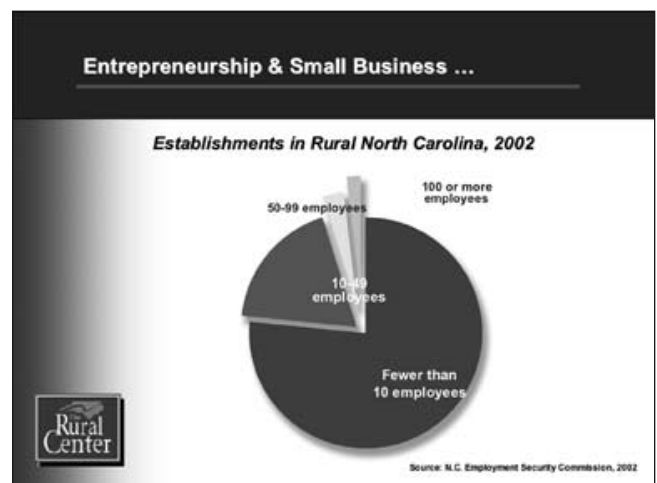
#### It's time to

- *rethink* our economic strategies
- *redirect* our investments of time, energy and money
- *create* a new vision for economic prosperity in rural North Carolina



### Why entrepreneurship, why now?

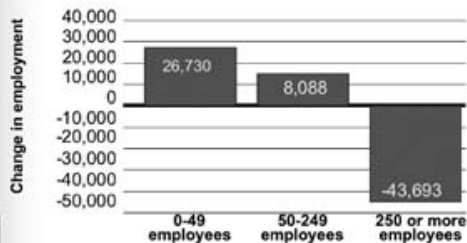
- Entrepreneurship strategies foster the many agriculture, tourism, arts, health, retail, and business services enterprises that help diversify local economies
- Timing for the initiative is right: with the loss of many of the jobs we once attracted from elsewhere, North Carolinians are searching for other strategies to rebuild their local economies



## Entrepreneurship & Small Business ...

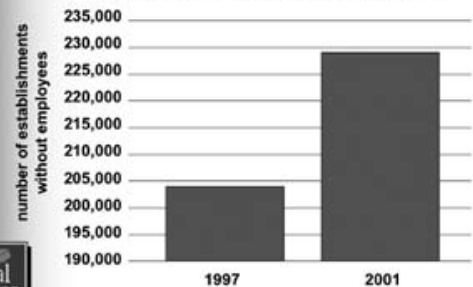
Change in Employment by Establishment Size, 1998-2002



Source: N.C. Employment Security Commission, 2002

## Entrepreneurship & Small Business ...

Self-Employment in Rural North Carolina



Source: U.S. Census Bureau, ECPO, Nonemployer Statistics, 1997 and 2001

## Entrepreneurship & Small Business ...

Major concerns cited in 22 Rural Center focus groups with rural small business owners in 2003:

- Need for more training and educational programs
- Difficulties in accessing outside resources and support services
- A sense of isolation
- Lack of access to capital
- Underappreciated by communities



# Institute for Rural Entrepreneurship



Launched in October 2003

## Institute for Rural Entrepreneurship ...

### PURPOSE:

to stimulate and support the development of micro, small and medium enterprises in North Carolina's 85 rural counties.



## 2 Roles for the Institute in North Carolina

- Develop a reputation for the Institute as the place for NC's rural communities to go for information resources, strategies and models that support local entrepreneurship
- Refer entrepreneurs to existing business service providers and help strengthen that network to create "no wrong door"

Working definition of entrepreneur = someone creating or growing an enterprise





## Resources for Community Leaders



## Rural Entrepreneurship Demonstration Program

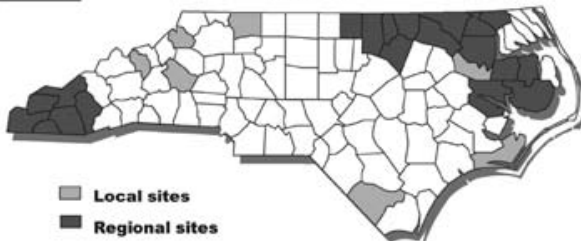
- Held "Homegrown Jobs" workshops for 130 rural community leaders to learn about entrepreneurship in Winter 2004
- Developed a competitive grants program for demonstration projects
- Awarded eleven grants in summer 2004, funded by:
  - \$500,000 from N.C. Department of Commerce (Small Cities CDBG)
  - \$160,000 from Rural Center



## Entrepreneurship Demonstrations



### Home Grown Jobs Demonstration Sites 2004-05



A partnership with the N.C. Department of Commerce

## Rural Entrepreneurship Demonstration Program

### Program impact to date

- 28 counties are participating in eleven demonstrations of entrepreneurship as a rural development strategy (4 regional, 7 local)
- They each provide locally tailored entrepreneurship assistance including:
  - education and training
  - technical assistance
  - business to business networking
  - capital access
  - recognition and civic leadership
- And they are tracking common metrics of impact



## Resources for Entrepreneurs



## North Carolina's Business Resource Alliance

**40+ member organizations  
working in business  
development**

N.C. Rural Center was initial convener



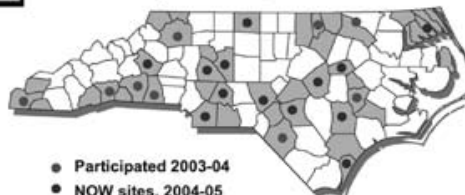
## Business Education & Training Directory



## Self-employment for dislocated workers



### New Opportunities for Workers (NOW) Program Sites, 2004-05



NOW uses WIA funds to provide business training for dislocated workers interested in self-employment. Partners are the N.C. Community College System and NC REAL.

## New Opportunities for Workers (NOW)

### Program impact to date:

- Dislocated workers in 44 NC counties can receive free entrepreneurship training at 22 community colleges' Small Business Centers
  - 74 dislocated workers are conducting hands-on enterprise development through free NC REAL training
  - Another 21 dislocated workers are getting other free business development and computer training through their community colleges
  - The first NOW participant was approved for a Rural Center microloan in Feb. 2005



## Future Directions for the Institute

*Working with partners to create a comprehensive and seamless development system for North Carolina's rural entrepreneurs:*

- Education and Training
- Technical Assistance and Information
- Entrepreneurial Networking
- Access to Capital
- Leadership and Policy Development



## For more information

*Please contact*

**Leslie A. Scott, Director**  
Institute for Rural Entrepreneurship  
N.C. Rural Center  
(919)250-4314  
[Lscott@ncruralcenter.org](mailto:Lscott@ncruralcenter.org)

[www.ncruralcenter.org/entrepreneurship](http://www.ncruralcenter.org/entrepreneurship)



make it happen!  
**Community Progress**  
INITIATIVE



A Joint Initiative between:

Heart of Wisconsin Business & Economic Alliance  
Connie Loden-Executive Director

Community Foundation of South Wood County  
Kelly Lucas-President/CEO

make it happen!  
**Community Progress**  
INITIATIVE



Create an innovative, self-reliant & business friendly culture in a vibrant community with a prosperous local economy.

make it happen!  
**Community Progress**  
INITIATIVE

**Creating a Business Friendly Culture**

- Industry Cluster Networks
- Entrepreneurial Boot Camps
- Entrepreneur Tech Support
- Business Innovation Seminars
- Entrepreneur Mentoring Teams
- Angel Investor Network
- Study Tours
- Ideas Incubator

**Building a Strong and Positive Community**

- Community Progress Rallies
- Leadership Programs
- "New Ideas!" Speaker Series
- Community Progress Teams
- Youth Progress Initiative
- Community Endowment Building
- Transfer of Wealth Analysis

make it happen!  
**Community Progress**  
INITIATIVE

- Vibrant Industry Clusters
- Entrepreneurial Development
- Regional Business Networks
- Coordinated marketing
- New Business Sectors
- Ideas Incubator

Prosperous and Diverse Local Economy  
*Business Development*

Strong and Positive Local Community  
*Community Leadership*

Innovative, Entrepreneurial and Self Reliant Culture  
*Capital and Funding*

- Ability to Leverage & Maximize Outside Resources
- Innovative & Collaborative Fundraising
- Wealth Retention
- Endowment Building, Individual Community Progress Funds
- New Partnerships Formed: Public/Private


- Community Participation & Organization
- Shared Vision & Clear Direction
- Leadership Development
- Transition of Leadership
- Youth Empowerment
- Inclusive Community
- Regional Collaboration
- Local Government Involvement

Future Strategic Picture of Desired Outcomes by 2007

Built on broad based partnerships and collaborations

make it happen!  
**Community Progress**  
INITIATIVE

**Outcome**




- 2,000+ residents engaged
- 1,000+ jobs created or retained
- Visions for 6 Communities established
- 130+ participating in Industry Cluster Networks
- 100+ youth involved
- 27 Entrepreneurial Boot Camps graduates
- 100+ people engaged in Leadership Development
- Federal, State and Foundation Grants leveraged
- Attitudes are shifting to positive - confidence levels ↑

make it happen!  
**Community Progress**  
INITIATIVE

Connie Loden - Executive Director  
Heart of Wisconsin Business & Economic Alliance  
1120 Lincoln St., Wisconsin Rapids, WI 54494  
PH 715-423-1830  
cloden@heartofwi.com

Kelly Lucas - President/CEO  
Community Foundation of South Wood County  
478 East Grand Ave., Wisconsin Rapids, WI 54494  
PH 715-423-3863  
klucas@cfswc.org



**Helping Georgia entrepreneurs build great technology companies**

## Entrepreneurship and Economic Development

Tony Antoniades  
March 2005



### What is ATDC?


*The Advanced Technology Development Center (ATDC) is a nationally-recognized technology incubator that helps Georgia entrepreneurs launch and build successful companies*

- State funded
- Based at the Georgia Institute of Technology
- Mission is to stimulate state economic growth through the technology sector




### Our History

- Experienced: opened in 1980
- Since 1993, 68% success rate
- 30+ current member companies
- Track record of 98 graduates
  - MindSpring, Media Metrix/Relevant Knowledge, Theragenics
- Economic impact since 1992:
  - Nearly 42,000 Man-years of employment
  - Over \$9.3B in revenues
- Award-winning:
  - 2004 EDA Award for Technology-led Econ Development
  - NBIA 1996 Incubator of the Year
  - Inc. magazine top non-profit incubator




### The Numbers

	2003	2002	2001
Revenue	\$1.75B	\$ 1.71B	\$ 1.58B
Employment	4300	4800	4700
Investment	\$104M	\$83M	\$353M


*ATDC's economic impact has been over \$335M*

*This represents a 6.8X return on state funding*





### ATDC Offerings


- Strategic Business Advice
- Connections to People and Resources
- Entrepreneurial Learning Community
- Turnkey Facilities and Services


### Atlanta Locations



Headquarters



Telecom



Bioscience

Additional locations in Warner Robins, Savannah and Columbus





## Member Profile

*We protect our brand by being selective of our members  
Historically, only 1 out of every 8 applicants is accepted.*

- Early stage company with technology differentiator
- Product-based
- Demonstrate a competitive advantage and high growth potential
- Attractive to external financing
- Coachable, community-oriented founders



## Assisting Entrepreneurs

Entrepreneurs Assisted	
2004	158
2003	138
2002	93
2001	69
2000	155



## Entrepreneurs Resource Center



- ATDC Best Practices
- Online resource
- Physical Library
- Events

• <http://erc.atdc.org>



## Anticipating Economic Changes

- Internet Technologies
  - Adapted via hiring and choosing companies
- Telecommunications
  - Created GCATT program to house research, policy, and commercialization
- Bioscience
  - Opened wet-lab incubator facility inside research building
  - Partnered with Emory University



- **Mission:** Create high growth startup companies based on faculty research
- One-stop center for technology commercialization
- Offers the following assistance to faculty entrepreneurs
  - Help evaluate the commercial value of an innovation
  - Connect faculty with experienced entrepreneurs
  - Pre-seed financing grants to help move innovations to the commercial stage



## ATDC Seed Capital Fund

- \$8M of state-funded seed funds
  - \$5M Telecommunications fund
  - \$3M Bioscience fund
- Requires 3-to-1 match of private investment
- Status
  - Have invested \$3.6M and attracted over \$140M
  - ~40-to-1 leverage
  - 220 employees



## Innovation Centers

- Regional centers around the state that focus on regional assets to create research and industry

City	Asset
Savannah	Maritime Logistics
Columbus	Transaction Processing
Tifton	Agriculture
Warner Robins	Aircraft lifecycle
Augusta	Life Sciences



## Critical Success Factors

- State government that has patience
- Financial support from State
- A few, big successful graduate companies
- Professional staff with entrepreneur experience
- Affiliation with Georgia Tech
- Be a respected participant in the industry
- Strong, rigorous application process
- Ability to adjust to trends



## Contact Information

Tony Antoniadis  
General manager  
[tonya@atdc.org](mailto:tonya@atdc.org)

[www.atdc.org](http://www.atdc.org)




### Maryland Industrial Partnerships

*Matching Awards for collaborative R&D projects between industry and University System of Maryland faculty*

### Putting It Together: The Role of Entrepreneurship in Economic Development


**March 7, 2005**



### MTECH: Maryland Technology Enterprise Institute


([www.mtech.umd.edu](http://www.mtech.umd.edu))

- MIPS: Maryland Industrial Partnerships (1987)
- MTES: Maryland Technology Extension Service (1984)
- TAP: Technology Advancement Program (1985)
- Biotechnology Program (1985)
- Hinman CEO Program (2000)
- Venture Accelerator (2005)




### Key Points about MIPS

- MIPS projects are conducted by university system faculty in conjunction with company researchers
- Proposals are evaluated on technical merit and economic development potential
- Projects are jointly funded by MIPS and companies
- All funding goes towards university project costs
- MIPS is win-win:
  - Companies leverage their R&D funding and gain access to faculty expertise
  - Faculty and students gain funding to engage in commercially-relevant research



### Disciplines for MIPS Projects

- Engineering
- Computer Sciences
- Life Sciences
- Physical Sciences



USM	
<b>UMB</b>	Proposals - 177 Awards - 94
<b>UMBC</b>	Proposals - 153 Awards - 91
<b>UM</b>	Proposals - 724 Awards - 438
<b>UMES</b>	Proposals - 17 Awards - 8
<b>UMUC</b>	Proposals - 2 Awards - 2
<b>University of Baltimore</b>	
<b>Coppin State College</b>	
<b>Frostburg State University</b>	
<b>Salisbury University</b>	Proposals - 9 Awards - 5
<b>Towson University</b>	Proposals - 8 Awards - 4
<b>Bowie State University</b>	Proposals - 1 Awards - 1
<b>UMBI</b>	Proposals - 47 Awards - 16
<b>UMCES</b>	Proposals - 20 Awards - 14



### Benefits to Faculty

- Financial support for commercially applicable research
- Faculty can establish lasting relationships with technology companies
- Relevant real world experience for students
  - Papers published
  - Patents if appropriate
  - Thesis work
  - Job opportunities
- Possible future sponsored research

MIPS MARYLAND INDUSTRIAL PARTNERSHIPS www.mips.umtd.edu

## Benefits to Companies

- Financial support for commercially applicable research
- Leveraging assets/ outsourcing R&D
- Access to university/
  - faculty
  - expertise
  - facilities
- Companies can establish lasting relationships with faculty experts

MIPS MARYLAND INDUSTRIAL PARTNERSHIPS www.mips.umtd.edu

## Funding Levels

- MIPS funds must be matched by company funds (proportional to size of company)
- MIPS can contribute up to \$200,000
- Companies contribute in proportion to their size
- Average project costs per year usually exceeds \$100,000

MIPS MARYLAND INDUSTRIAL PARTNERSHIPS www.mips.umtd.edu

## Cost Sharing

Company Size	Company Share	MIPS Share
Large Company Over 1000	75%	25%
Medium Company 100-1000	50%	50%
Small Company Up to 100	65%	35%
Start-Up Company* Up to 12	10%	90%

MIPS offers up to \$200,000 in matching funds for research projects; with company contributions, total project value can range from \$16,000 to \$800,000. Average Project Value \$250K.

\* Plus other requirements

MIPS MARYLAND INDUSTRIAL PARTNERSHIPS www.mips.umtd.edu

## Proposal Evaluation Process

- Scientific/technical evaluation
- **Business/economic review**
- 60 day turn around from application to award
- 2 funding cycles per year

MIPS MARYLAND INDUSTRIAL PARTNERSHIPS www.mips.umtd.edu

## Proposal Evaluation Process

```

graph TD
    TR[Technical Review] --> OER((Overall Evaluation & Ranking))
    CR[Commercialization Review] --> OER
    BR[Business Review (Start-ups only)] -- Yes --> OER
    BR -- No --> D[Debriefing]
    OER --> R[Rejection]
    OER --> A[Ribbon]
    R --> D
  
```

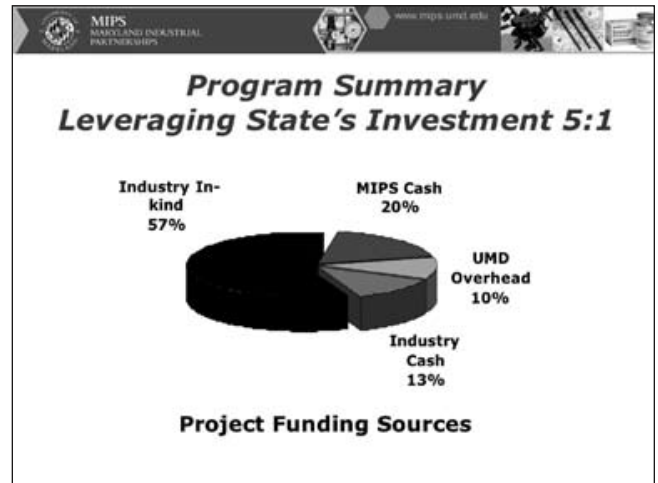
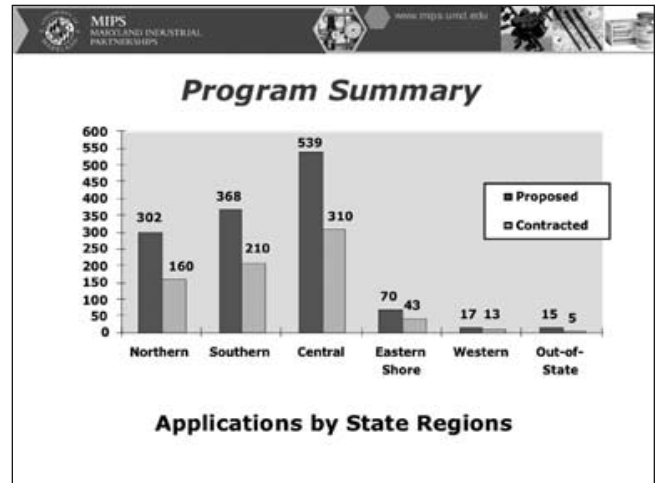
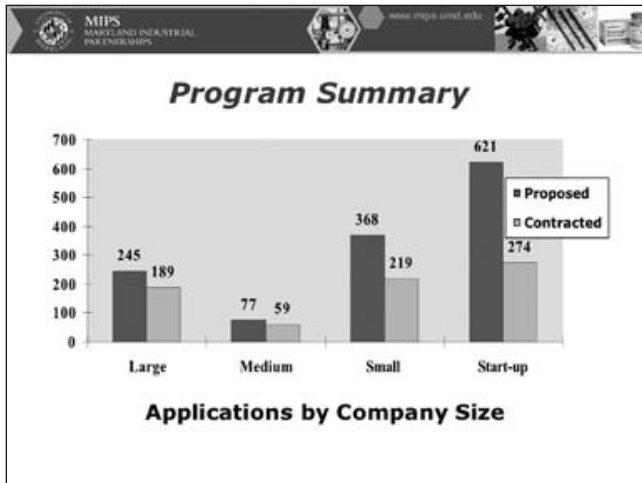
MIPS MARYLAND INDUSTRIAL PARTNERSHIPS www.mips.umtd.edu

## Program Summary

### Thirty-four Competitive Rounds (1987-2004)

- 1311 Applications Received
- 741 Different Contracts & Amendments
- 451 Individual Projects
- 318 Companies
- **\$2.3 B in products on the market**





**Successful MIPS Products:  
Manufactured in Maryland**

- Black & Decker's Bullet Speed Tip Masonry Drill Bit
- MedImmune's Synagis®
- Quantum Sail Design Group's offwind performance racing sails
- Martek's Formulaid®
- Navmar's Unmanned surveillance vehicle
- Hughes Network Systems' DIRECWAY satellite internet product

**Products**

- **Bullet Speed Tip Masonry Drill Bit** Black & Decker (Towson, MD)



- **Unique drill bit design**
- **Drills up to two times faster than competitive bits; drills up to six times more holes per battery charge when using a cordless drill**
- **Technology is used in a line of 29 drill bits**

MIPS  
MARYLAND INDUSTRIAL  
PARTNERSHIPS

www.mips.umd.edu

## Products

- **Synagis**  
MedImmune (Gaithersburg, MD)
- **Now the 10th best selling biotech drug in the world (2003 sales approx \$1B)**
- **Used to prevent respiratory syncytial virus (RSV) disease in infants.**
- **MedImmune's MIPS project "improved [our] knowledge of carbohydrate analysis...and helped in structural testing of Synagis,"**  
-John Hope, MedImmune scientist



MIPS  
MARYLAND INDUSTRIAL  
PARTNERSHIPS

www.mips.umd.edu

## Products

**World-class off-wind sails,**  
Quantum Sail Design Group (Annapolis, MD)

- **Quantum created the first U.S.-based wind tunnel testing facilities with the University of Maryland for downwind sails**
- **Quantum is now the No. 2 sail maker in the world, with more than 30 new employees hired**
- **Sails used in Volvo Round the World Race and America's Cup**



MIPS  
MARYLAND INDUSTRIAL  
PARTNERSHIPS

www.mips.umd.edu

## MIPS: High Quality Job Creation Now... and in the Future

- In 2003, MIPS supported 55 university-based jobs and 33 company-based jobs to conduct the projects.
- Average salary of industry personnel supporting MIPS projects: \$66,569 (data from Rounds 32-34)
- Future job projections for 2003 projects was 1764 jobs

MIPS  
MARYLAND INDUSTRIAL  
PARTNERSHIPS

www.mips.umd.edu

## MIPS 2003: High Job Creation Impact for \$ Expended

- MIPS Budget of \$1.35 M projected to create 1764 new jobs
- Discount the jobs projected from 1764 to 441 (25% of estimate) for various factors
- MIPS \$ expended/job created = \$3061
- Economic development agencies' accepted incentive-based job creation average is \$10,000/job

MIPS  
MARYLAND INDUSTRIAL  
PARTNERSHIPS

www.mips.umd.edu

## What Does MIPS Contribute to Maryland's Economy?

- Opens direct company access statewide to faculty experts at all USM institutions
- Only organized university R&D program in which commercialization is a primary factor for award
- Demonstrated pay-offs to hundreds of Maryland companies, with \$2.3 B in resulting sales
- Highly efficient high tech job creation program for economic development at a cost of \$3061/job
- Real world experience for students

MIPS  
MARYLAND INDUSTRIAL  
PARTNERSHIPS

www.mips.umd.edu

## Web Sites

- MIPS Web site: [www.mips.umd.edu](http://www.mips.umd.edu)
- MTECH: [www.mtech.umd.edu](http://www.mtech.umd.edu) with links to other MTECH programs

*The Role of the University in Catalyzing Entrepreneurship & Economic Development:  
Rutgers University Food Innovation Center*

**Margaret Brennan**

Associate Dean, Cook College, Rutgers University  
Associate Director, New Jersey Agricultural Experiment Station

-Putting it Together: The Role of Entrepreneurship in Economic Development™  
US Small Business Administration, Office of Advocacy  
March 7, 2005

### What is Economic Development?

...process of creating wealth through the mobilization of human, financial, capital, physical and natural resources to generate marketable goods and services.\*

\* According to the American Economic Development Council (AEDC)

### Partnership Model for Economic Development



### Influence of University Expenditures on Economic Growth

Partnerships between the public and private sectors and universities are critical to success of economic development strategies.

*2002 SBA Office of Advocacy Study*

- University R&D expenditures are significantly related to new firm formation in their region.
- University R&D spending is associated with higher levels of human capital.
- Research university investments in R&D are major factors contributing to economic growth in the regions in which they are located.

### Using Business Incubation to Generate Firm Formation and Retention

- **Significant jobs created with substantial return on investment\***
  - Return (local tax revenues) on public investment (subsidy) was greater than \$16 for every \$1 of investment
- **Incubator companies experience very healthy growth.\***
  - Programs graduate firms with high survival rates> a reported 87% of all graduates are still in business after 3 years
- **Local retention\***
  - An average of 84% of graduating firms remain in their local communities.
- Business incubator programs vary widely in terms of sponsors, stakeholders and sources of funding; organizational forms; missions and guiding principles; and levels of services offered.

\*According to National Business Incubation Association (NBIA)

### Rutgers Food Innovation Center Background

In-depth study of agricultural and food processing industries - Cook College 1997

- Need for small and mid-sized food processors to develop differentiated products to compete in an increasingly complex and consolidating business environment
- Need for farmers to develop value-added products, and new markets for off-grade raw materials to maintain viability and preserve farmland
- Need for access to business planning, market research, guidance in areas of regulatory and permitting requirements, legal matters, quality assurance and food safety, and product and process development
- Need to reduce expense associated with new product development, equipment costs, and market entry



## Food Innovation Center: A Rutgers University Economic Development Outreach Center

### *Mission*

*To stimulate and support sustainable economic growth and prosperity to the food and agricultural industries in the New Jersey region by providing businesses with innovative research, customized practical solutions, resources for business incubation, and a trusted source for information and guidance*

7

## Food Innovation Center *Client Base*

- **Farmers and Cooperatives** desiring to create new businesses based on value-added agricultural products and/or developing new markets for their existing commodities
- **Startup food companies** coping with challenges such as financing, technology, regulations, market development, and infrastructure requirements
- **Existing small and mid-sized food companies** seeking to access new technologies, upgrade quality assurance capabilities, enter new markets, and expand and improve their operations

8

## Food Innovation Center *Comprehensive Services to Clients*

- Business Development
- Market Development
- Product and Process Development
- Quality Assurance and Food Safety
- Regulations and Compliance
- Workforce Development and Training

9

## Food Innovation Center *Resource Network*

- **Internal and External Resources**
  - Rutgers University – NB, Camden, Newark
  - Community Organizations
  - NJ Universities/Colleges
  - Other Universities/Colleges
  - Federal Agencies (e.g. USDA ARS-ERRC)
  - State Agencies (e.g. NJDA, DOC, SBA, SBDC)
  - Other Business Incubators (e.g. NJ BIN, NBIA)
  - Trade Associations (e.g. NJFPA, IFPA, PMA, NFPA, IDDBA)
  - Consultant Specialists

10

## Food Innovation Center *Establishment of Incubator Facility* **Shared-Use Processing Area**

- **Fresh-Cut cold processing**
  - For preparation and packaging of value-added produce products
- **Hot processing**
  - For preparation and packaging of soups, sauces, jams, jellies, cheese, meals, etc.
- **Bakery and dry processing**
  - For preparation and packaging of pies, breads, cookies, seasoning blends, dehydrated vegetables, etc.
- **Cold assembly**
  - For packaging of perishable products
- **Storage**
  - Refrigerated, Frozen, and Ambient

11

## Food Innovation Center *Establishment of Incubator Facility* **Client Services Area**

- Product Development Research Kitchen and Sensory Analysis Laboratory
- Microbiology and Analytical Laboratories
- Consumer Research and Focus Group Center
- Conference and Education Facilities
- Office and Administrative Support

*Plan to break ground during winter of 2005-2006, and open early 2007*

12



## Food Innovation Center

### Long-Term Impacts to the New Jersey Region

- New businesses created
  - New jobs created/ retained, indirect jobs created
  - Business sustainability
  - Increased revenue/profits
  - Venture and grant funding to clients
  - Increased workforce skills
  - Companies that move to NJ as a result of our efforts
  - New patents and intellectual property transferred
  - Increased community wealth
  - Businesses that remain in community, region and state
- Since 2001, the Center has served over 250 clients in 20 of 21 NJ counties
- Since 2001, the Center has raised over \$8 million in capital and operating funding and has been nationally recognized by the USDA as an agricultural innovation center.

## Rutgers Food Innovation Center *Best Practices*

- Identify and quantify the needs of your target region
- Develop a program that “fits” the regional assets and fulfills the needs
- Begin strategic planning process with the end in mind
- Engage local community and local and state government officials/agencies from the beginning
- Integrate the program and activities into the fabric of the community and its broader economic development strategies

## Rutgers Food Innovation Center *Best Practices*

- Recruit highly qualified staff
- Stress **Service** and not just subsidized rental space
- Continually broaden capabilities offered to clients
- Establish an extensive network of resources at the university, local, state and federal levels.
- Develop benchmarks and impact assessment tools from the start so that you can effectively demonstrate success

## Rutgers Food Innovation Center *Conclusion*

- Universities have a significant role to play in the economic development of their regions through technology and innovation transfer
- The Rutgers Food Innovation Center is built on public-private partnerships between higher education institutions, local governments and industry to address and identify solutions for agricultural and food industry businesses in New Jersey and the surrounding region.
- **Our vision is to serve as a catalyst that fosters a prosperous food industry and agricultural base, that is recognized globally as a model for regional economic development.**

## For Further Information:

- Contact Information:

Lou Cooperhouse  
Director, Food Innovation Center  
[cooperhouse@aesop.rutgers.edu](mailto:cooperhouse@aesop.rutgers.edu)

- Website Information:

[www.foodinnovation.rutgers.edu](http://www.foodinnovation.rutgers.edu)

## THE KANSAS ECONOMIC GROWTH ACT OF 2004

JOHN E. MOORE  
LIEUTENANT GOVERNOR, KANSAS

### KANSAS ECONOMIC GROWTH ACT

#### • THE CHALLENGE

- TO STIMULATE AND STRENGTHEN THE KANSAS ECONOMY
- INITIATIVES MUST REFLECT THE STATE'S RURAL AND URBAN DIVERSITY

### KANSAS ECONOMIC GROWTH ACT

#### • PHILOSOPHY

- ECONOMIC DEVELOPMENT EFFORTS MUST BE REGIONALLY FOCUSED AND LED WITH STATE RESOURCES AVAILABLE TO COMPLEMENT AND STRENGTHEN THOSE EFFORTS

### KANSAS ECONOMIC GROWTH ACT

#### • THE PROCESS

- THE PROSPERITY SUMMIT PROCESS
  - SEVEN REGIONAL ECONOMIC DEVELOPMENT CONFERENCES

### ECONOMIC DEVELOPMENT REGIONS



### KANSAS ECONOMIC GROWTH ACT

#### • THE PROCESS

- THE PROSPERITY SUMMITS
  - EACH LED BY RECOGNIZED PRIVATE SECTOR CHAIR(S)
  - 1500 PARTICIPANTS
  - EACH REGION IDENTIFIED ITS ECONOMIC PRIORITIES

## KANSAS ECONOMIC GROWTH ACT

### • THE PROCESS

- THE ECONOMIC REVITALIZATION PLAN WAS PRODUCED
  - BASED ON REGIONAL PRIORITIES
  - ANNOUNCED AT A STATE-WIDE PROSPERITY SUMMIT
    - 550 ATTENDEES
  - GOVERNOR'S ECONOMIC POLICY COUNCIL

## KANSAS ECONOMIC GROWTH ACT

### • THE PRODUCT

- THE KANSAS ECONOMIC GROWTH ACT
  - BI-PARTISAN LEGISLATION ENACTED INTO LAW ON JULY 1, 2004
  - INCLUDED ALL PRIORITIES OF THE ECONOMIC REVITALIZATION PLAN
  - \$530 MILLION IN ECONOMIC DEVELOPMENT INCENTIVES OVER 10 YEARS
  - URBAN AND RURAL EMPHASIS

## KANSAS ECONOMIC GROWTH ACT

### • COMPONENTS OF THE ACT

- BIOSCIENCE AUTHORITY
- RURAL DEVELOPMENT INITIATIVES
- ENTREPRENEURSHIP INITIATIVES
- WORKFORCE DEVELOPMENT
- STATE BRAND IMAGE

## KANSAS ECONOMIC GROWTH ACT

### • KANSAS BIOSCIENCE AUTHORITY

- \$500 MILLION COMMITMENT BASED ON CREATING 23,000 RELATED JOBS
- BOARD OF DIRECTORS OVERSEES EIGHT BIOSCIENCE RELATED INITIATIVES

## KANSAS ECONOMIC GROWTH ACT

### • RURAL DEVELOPMENT INITIATIVES

- RURAL BUSINESS DEVELOPMENT TAX CREDIT PROGRAM
- KANSAS DOWNTOWN REDEVELOPMENT PROGRAM
- ENTERPRISE FACILITATION
- AGRI-TOURISM INITIATIVE

## KANSAS ECONOMIC GROWTH ACT

### • RURAL DEVELOPMENT

- RURAL BUSINESS DEVELOPMENT TAX CREDIT PROGRAM
  - \$7 MILLION IN TAX CREDITS OVER THREE YEARS
  - TARGETS RURAL COMMUNITIES UNDER 50,000
  - ADMINISTERED BY EXISTING ECONOMIC DEVELOPMENT FOUNDATIONS IN THE SEVEN REGIONS

## KANSAS ECONOMIC GROWTH ACT

### • RURAL DEVELOPMENT

- KANSAS DOWNTOWN DEVELOPMENT PROGRAM
  - PROPERTY TAX REBATES ON IMPROVED DOWNTOWN-AREA PROPERTIES
  - FOCUS ON CENTRAL BUSINESS DISTRICTS
  - REBATES OVER A 10 YEAR PERIOD
  - ADMINISTERED BY KANSAS DEPARTMENT OF COMMERCE AND LOCAL GOVERNMENTS

13

## KANSAS ECONOMIC GROWTH ACT

### • RURAL DEVELOPMENT

- ENTERPRISE FACILITATION PROGRAM
  - FIVE PROJECTS COVERING 25 ECONOMICALLY DEPRESSED COMMUNITIES
    - COLLECTIVE POPULATION OF 175,000
  - \$315,000 IN LOCAL INVESTMENTS AND \$1.25 MILLION IN STATE INVESTMENTS
- LOCAL SELF SELECTED BOARDS ADMINISTER

14

## KANSAS ECONOMIC GROWTH ACT

### • RURAL DEVELOPMENT

- AGRI-TOURISM INITIATIVE
  - EMERGING TRAVEL AND TOURISM TREND NATIONWIDE
  - SENATE BILL 334: LIABILITY LIMITATION & TAX CREDITS
  - TWO LOCAL WORKSHOPS AND A STATE-WIDE WORKSHOP
    - 400 IN ATTENDANCE

15

## KANSAS ECONOMIC GROWTH ACT

### • ENTREPRENEURSHIP INITIATIVES

- KANSAS CENTER FOR ENTREPRENEURSHIP
- KANSAS COMMUNITY ENTREPRENEURSHIP FUND
- ANGEL INVESTOR NETWORK TAX CREDITS

16

## KANSAS ECONOMIC GROWTH ACT

### • ENTREPRENEURSHIP

- KANSAS CENTER FOR ENTREPRENEURSHIP
  - STATE FUNDING
  - COMPREHENSIVE RESOURCE WEB SITE NAVIGATION SYSTEM AND CALL CENTER
  - ENTREPRENEURIAL EDUCATION OUTREACH
  - APPOINTED BOARD OF DIRECTORS OVERSEES

17

## KANSAS ECONOMIC GROWTH ACT

### • ENTREPRENEURSHIP

- KANSAS COMMUNITY ENTREPRENEURSHIP FUND
  - A ONE-TIME \$500,000 APPROPRIATION
  - \$2 MILLION ANNUALLY IN INCOME TAX CREDITS FOR THREE YEARS
- ADMINISTERED BY THE ENTREPRENEURIAL CENTER'S BOARD OF DIRECTORS

18



## KANSAS ECONOMIC GROWTH ACT

- **ENTREPRENEURSHIP**

- ANGEL INVESTOR NETWORK TAX CREDIT PROGRAM
  - \$20 MILLION IN TAX CREDITS OVER NEXT 10 YEARS
  - GENERATES \$40 MILLION FOR START-UP BUSINESSES
  - ADMINISTERED BY KANSAS TECHNOLOGY ENTERPRISE CORPORATION (KTEC)

## KANSAS ECONOMIC GROWTH ACT

- **WORKFORCE DEVELOPMENT**

- KANSAS 1ST
  - STATE WORKFORCE DEVELOPMENT PROGRAMS CONSOLIDATED
  - FIRST SUBSTANTIAL CHANGE IN 40 YEARS
  - MARKET DRIVEN / SEAMLESS SYSTEM
  - PROVIDE ANY EMPLOYER WITH QUALIFIED EMPLOYEES ANY WHERE IN THE STATE

## KANSAS ECONOMIC GROWTH ACT

### STATE BRAND IMAGE

**KANSAS AS BIG AS YOU THINK**

## THE KANSAS ECONOMIC GROWTH ACT OF 2004

JOHN E. MOORE  
LIEUTENANT GOVERNOR, KANSAS




### Entrepreneur Magic

- Entrepreneurs
- Technical Assistance
- Investments




### Iowa today...

- Business Accelerators
- Equity Funds
- EVA
- Mentors




### Success

More high growth companies and better technology transfer



### Business Accelerators

- What are they?
- New in 2004
- Fund six locations at \$175,000 each over three years
- Legislature is weighing the possibility of funding 12 more



## Entrepreneurial Venture Assistance Program (EVA)

- Up to \$250,000 in assistance, in multiple investments
- Payback is royalty-based
- Financial assistance is now tied to accelerators
- 2003-2004 EVA invested \$1.8 Million in 22 companies



IOWA  
*life | changing™*

## Venture Network of Iowa (VNI)

- Selected companies present to angel investors and venture capitalists
- Four – ten companies per event, 5 times a year
- Broadcast via the Iowa Communications Network and the world wide web
- Growing interest and better branding



IOWA  
*life | changing™*

## Tax Credits

- \$10 Million
- Investors received 20% Iowa tax credits for investing in approved Iowa companies
- Challenge: lengthy education process



IOWA  
*life | changing™*

## Iowa Equity Funds Association

- Investors want networking and education opportunities
- Currently have 18 community based seed funds
- Local groups syndicate deals
- Posted on the web
- Working on a \$10 Million managed fund



IOWA  
*life | changing™*

## Putting it Together



- Business Accelerators
- EVA
- Venture Network of Iowa
- Tax Credits
- Iowa Equity Funds Association

IOWA  
*life | changing™*

## Nurturing an Entrepreneurial Climate in Iowa: Putting it Together

Cali Beals

Iowa Department of Economic Development

515.242.4723

[Cali.beals@iowalifechanging.com](mailto:Cali.beals@iowalifechanging.com)

IOWA  
*life | changing™*

### Michigan SmartZone Program

- Set a vision for the state
- Develop technology clusters
- Build on university strengths and community success
- Grow technology entrepreneurs



www.michigan.org  
MICHIGAN ECONOMIC DEVELOPMENT CORPORATION

### Michigan SmartZone Program



- Detroit-TechTown (WSU)
- Detroit-Pinnacle (UM)
- Oakland City-Automation Alley (OU/LTU)
- Ann Arbor/Ypsilanti (UM)
- Kalamazoo (WMLU)
- Grand Rapids (GVSU)
- Muskegon (GVSU)
- Mt. Pleasant (CMU)
- Houghton/Hancock (MTU)
- Battle Creek (WMU)
- Lansing/East Lansing (MSU)

www.michigan.org  
MICHIGAN ECONOMIC DEVELOPMENT CORPORATION

### State/Local Collaboration

- Amended Local Development Finance Act to allow tax capture for technology infrastructure
- Provide funds to build tech incubators and business accelerators
- State dollars leverage community/university match
- Ensuring local self-sufficiency to put state dollars to work in other areas of technology infrastructure: pre-seed funds



www.michigan.org  
MICHIGAN ECONOMIC DEVELOPMENT CORPORATION

### SmartZone Success

- Firms locating/expanding: 110
- Firms served: 186
- Jobs created: 3379
- Jobs retained: 3194
- Research & commercialization projects: 130
- Public Investments: \$257 m
- Private Investments: \$203 m
- Total Investments: \$460 m
- TIF capture collected: \$1.673 m



www.michigan.org  
MICHIGAN ECONOMIC DEVELOPMENT CORPORATION

### SmartZone Success

- Collaborative effort between stakeholders
- Experienced management
- Physical proximity to resources
- Broker appropriate services
- Access to financial resources
- Company collaborations



www.michigan.org  
MICHIGAN ECONOMIC DEVELOPMENT CORPORATION

### Grand Rapids SmartZone

- Downtown Revitalization
- Strong community partnership/vision
- Services tailored to community strengths
- Successful graduation from incubation



www.michigan.org  
MICHIGAN ECONOMIC DEVELOPMENT CORPORATION





## Kalamazoo SmartZone





- Vision for community
- Potential job losses turn into tech start-ups/jobs
- Monthly VC pitch sessions
- Strong university partnership
- Shared lab space/equipment
- Experienced management to mentor/coach entrepreneurs

[www.michigan.org](http://www.michigan.org)  
MICHIGAN ECONOMIC DEVELOPMENT CORPORATION



## Detroit TechTown






- Urban redevelopment with partner collaborations
- Access to university research and entrepreneurial talent
- Management experienced in tech business services
- Thriving anchor tenant
- Vision for growth

[www.michigan.org](http://www.michigan.org)  
MICHIGAN ECONOMIC DEVELOPMENT CORPORATION



## Mt. Pleasant SmartZone






- Reinvented rural community to become a leader in nano technology
- Access to university talent
- Anchor tenant drawing companies, research, conferences, international attention

[www.michigan.org](http://www.michigan.org)  
MICHIGAN ECONOMIC DEVELOPMENT CORPORATION



## SmartZone Best Practices

- Identify experienced people to manage all aspects of program: SmartZone, Business Accelerator, Incubator
- Ensure sufficient funding
- Build and nurture collaborative partnerships
- Develop plan with milestones, deliverables, reporting requirements, and accountability
- Establish Incubator within the Cluster
- Communicate, communicate, communicate message and mission to partners, clients, public, investors, university

[www.michigan.org](http://www.michigan.org)  
MICHIGAN ECONOMIC DEVELOPMENT CORPORATION



## Q & A

Michigan Economic Development Corporation  
300 N. Washington Square  
Lansing, Michigan 48913  
517-373-9808  
[www.michigan.org](http://www.michigan.org)

[www.michigan.org](http://www.michigan.org)  
MICHIGAN ECONOMIC DEVELOPMENT CORPORATION

### Unleashing Idaho: the Power of Positive Partnerships

For the US SBA Office of Advocacy and the Ewing Marion Kauffman Foundation  
March 7, 2005

### Thanks to Our Partners

- ◆ Idaho National Lab (& now BEA)
- ◆ Inland Northwest Research Alliance
- ◆ Ewing Marion Kauffman Foundation
- ◆ Idaho Economic Development Association
- ◆ Idaho Rural Partnership
- ◆ Economic Development Administration
- ◆ Small Business Administration
- ◆ Kickstand
- ◆ ...and the great students of Idaho

### Background: "It doesn't just work in practice, it..."

- ◆ Building Entrepreneurial Potential requires:
- ◆ Intangibles: Building the right cognitive infrastructure
- ◆ Entrepreneurial Potential <-> Potential Entrepreneurs
- ◆ Encouraging Opportunity Identification
- ◆ Desirable, Feasible and.... Actionable

### Background, continued

- ◆ The Basics: Keeping it simple
- ◆ More than championing: Passionate professionals
- ◆ BE ENTREPRENEURIAL!

```

graph LR
    A((INNOVATION ASSETS)) --> B[BRIDGING ASSETS]
    B --> C((ENTREPRENEURIAL ASSETS))
  
```

### What We Do

### Examples of What We Do

- ◆ [http://mg.boisestate.edu/teams\\_krueger](http://mg.boisestate.edu/teams_krueger)
- ◆ SBIR
- ◆ TEAMS
- ◆ ...and ?

## SBIR Support

- ◆ Hosted national conference
- ◆ More than doubled SBIR results in 2+ years
- ◆ Proactive outreach
- ◆ Engaging students in SBIR process
- ◆ Support new state S & T effort

## TEAMS:

### “Students are Our Secret Weapons”

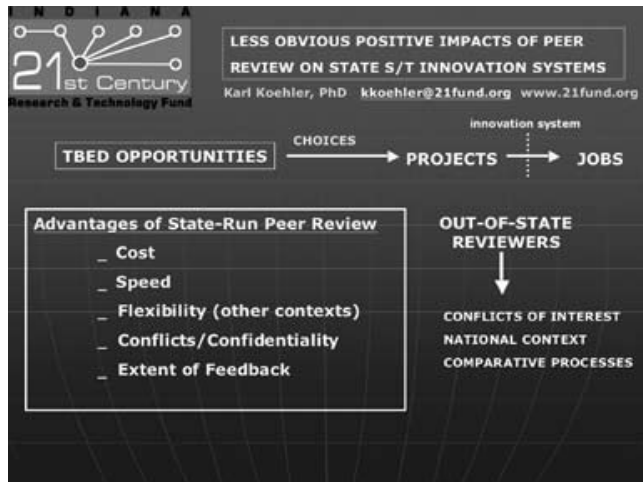
- ◆ TRAILS
- ◆ TRAILS-ED
- ◆ TEAMS
- ◆ Social Entrepreneurship
- ◆ Courses
  
- ◆ Multi-university; Multi-disciplinary

## Lessons Learned

- ◆ Partnering... selflessly
- ◆ Professionalism
- ◆ Passion
  
- ◆ Bottom-up
- ◆ Be Entrepreneurial!
- ◆ Tap Hidden Assets – like students!

## Questions

- ◆ How have others dealt with the politics?
  - ◆ The rivals for resources?
  - ◆ Not-so-selfless partners?
  
- ◆ What are the best 'hooks' for:
  - ◆ State agencies?
  - ◆ State legislatures?
  - ◆ Foundations?





- Broader Advantages of Peer Review**
- \_ Criterion-based Selection
  - \_ Avoid Politics/Geography
  - \_ National Context
  - \_ Useful as Oversight Process as Well as for Selection
- Close State-Staff Participation is Essential**
- \_ Sustain Focus on State Objectives
  - \_ Ensure Staff Understanding of Project Merits/Problems
- Importance of National Context:**
- \_ State Competitive Position—Real and Analytical
  - \_ Alignment of State S&T Community
  - \_ Avoidance of Local Conflicts/Political Pressures

- Impacts on all Applicants:**
- \_ Project feedback is in a National/Global Context
  - \_ Aligns State S&T Community Activities with Federal Priorities
- Impacts on Awardees:**
- \_ STATE-LEVEL RECOGNITION
  - \_ VALIDATION OF S/T DEVELOPMENT FOR VENTURE COMMUNITY
  - \_ SUPPORT
    - Creation, management, and protection of IP
    - Support for business creation/expansion
    - Support for science/technology development
    - Support for sustained interactions with partners
- Analytical Value of Competitive Selection Process:**  
 (Assuming an open competition in early stages)
- \_ IDENTIFICATION OF EXISTING AND EMERGING S/T STRENGTHS
  - \_ IDENTIFICATION OF CLUSTER DEVELOPMENT/EMERGENCE

- Useful Outcomes Measures:**
- \_ **Company Creation, Expansion, Failure Rate Data**
  - \_ **New/Expanded R&D Sector Capacity**
  - \_ **Academic/Commercial R&D Jobs**
  - \_ **Matching and Follow-on Funds, Particularly Federal**



**Putting it Together:  
The Role of Entrepreneurship in  
Economic Development –  
Using Technology and Innovation to Generate Firm  
Formation:  
*Maine's Technology Business Support Collaborative***




Dr. Janet Yancey-Wrona, Director, Office of Innovation -  
Maine Department of Economic and Community Development  
(formerly Executive Director, MTI)

John R. Massaua, State Director, Maine SBDC/SBTDC -  
University of Southern Maine




**MTI's Mission:** *"encourage, promote, stimulate and support research and development activity leading to commercialization of new products and services in the state's technology-intensive industrial sectors to enhance the competitive position of those sectors and increase the likelihood that one or more of the sectors will support clusters of industrial activity and to create jobs for Maine's people."*

**Investing in Promising Technologies**

**Maine SBDC's Mission:** *"to engage itself and others in development activities that contribute to the improvement of the economic climate for and the success of micro, small and technology-based businesses in the State of Maine. The Maine SBDC's focus is to assist in the creation, growth and the maintenance of viability of these businesses and the jobs they can provide."*

**Dedicated to helping Maine's small businesses succeed – we are the Maine SBDC...**




**MTI Funds Research and Development**

- Over 495 projects for more than \$20,000,000
- Matched by more than \$35,000,000
  - 381 **Seed Grants** of up to \$10,000 per project to support very early activities for product development leading to commercialization, including technical work, market research, IP protection, etc.
  - 90 **Development Awards** of up to \$500,000 each for comprehensive R&D projects, and that must be repaid upon commercialization.
  - 24 **Cluster Enhancement Awards** of up to \$200,000 per project to seed efforts that stimulate and support the formation and growth of technology businesses.
  - 1 **Accelerated Commercialization Fund** investment for a successful Development recipient Award that will help bridge the gap between R&D and sales.

(c) 2004 Maine SBDC




**MTI provides specialized assistance**

SBIR/STTR Phase 0 Assistance Program:

- **One-on-one assistance** for SBIR/STTR proposal preparation and review;
- Matching **grants of up to \$5,000** to support proposal preparation activities.

Commercialization Assistance:

- funded in part by the SBA FAST grant
- one-on-one mentoring by experienced **Tech Trackers**;
- intensive 10-week and stand alone **commercialization workshops**.

(c) 2004 Maine SBDC





Maine SBDCs provide comprehensive business management assistance, training, resource, and information services to Maine's micro, small and technology-based business communities. Professional certified business counselors who meet rigorous education and business experience standards provide business assistance at no cost to business owners. Maine SBDC is a partnership program of the U.S. Small Business Administration (SBA), in association with the SBA/OSBDC, Maine Department of Economic and Community Development (Maine DECD), the University of Southern Maine (USM), and leading hosting economic and/or community development corporations, with support from other contractors, stakeholders and allies. Accredited by the Association of Small Business Development Centers (ASBDC) and administered by USM's Office of the Provost, Maine SBDC operates a network of service centers and outreach offices located conveniently throughout the State of Maine.

**SBA** **OSBDC** **USM** **DECD** **ASBDC** **USA** **USAID**

**About the Maine SBDC**

**Problem:** MTI funds research and development leading to commercialization to create jobs and competitive industry clusters...

...BUT many proposals lacked balance --  
Strong on technology development;  
Lacking business skills  
necessary to bring the technology to market...

**Solution:** partner with Maine SBDC, create SBTDC  
= provide business expertise to enable commercialization of promising new technologies

(c) 2004 Maine SBDC

• Provide high-quality, no cost to client, individualized business management assistance focused on technology-based companies with potential for success.

- Conduct and/or organize information and training programs that build tech-based firm capacity.
- Navigate, coach and encourage the business of technology commercialization: funding to capitalization, intellectual property, personnel, contractual relationships, etc.
- Draw on, link with and build awareness of available resources: academic, federal, state, private and non-profit.

*Maine SBTDC Purposes*

- Aid access to information, technology, markets and research.
- Facilitate network and mentoring opportunities for technology-based business owner/operators.
- Offer targeted and customized programs for business and economic stimulation that are designed and managed on the basis of clearly defined business owner needs.
- Recognize, advocate for and champion technology-based business success.
- Preserve individual capital and self-worth as appropriate.

*Maine SBTDC Purposes*

### Maine SBTDC

- Hosted, co-located and primarily funded by MTI.
- Modeled on North Carolina SBTC – Accredited by ASBDC (1 of 4) – focused on MTI award recipients.
- Statewide initiative – entire SBDC engaged.
- SBTDC Center Director from tech sector and hired specifically for technology commercialization counseling.
- State incubator Directors trained as SBTDC Associate Counselors through joint MOU.
- Counselor certification and extensive “T” training.
- Partnerships – Partnerships – Partnerships

*Maine’s Technology Business Support Collaborative*

### MTI/Maine SBTDC – Partnerships: the Key

*“The entire team was impressed and enamored by the incredible integration of the key partners throughout the state. Each partner had their identified roles but was a continuation of the other partners. All were moving in a coordinated fashion and in a common direction. The primary drivers behind such a well coordinated and powerful system was the desire to effectively serve and develop the state of Maine. Turf was much less an issue because roles and responsibilities were defined and respected. The Maine SBDC/SBTDC was respected by each of the partners as an equal partner with equally important capabilities. The partners meet regularly to work out strategic and operating issues. Each of the partners has an amazing understanding of other partner’s capabilities and importance. Without question the stakeholders and partners clearly see the value of Maine SBDC/SBTDC equal to their own service.”*

ASBDC Accreditation Team, November 2003

*Maine’s Technology Business Support Collaborative*

### MTI/Maine SBTDC – Partnerships: the Key

With respect to the MTI-Maine SBTDC collaboration, the following is a summary of technology commercialization activity and associated economic impacts July, 2002 – June 2004:

- SBTDC Clients Served: 100 – 58% are MTI Grantees
- Average Time Spent per Client: 25.1 hours
- Jobs Created: 76; Jobs Retained: 120
- Total Capital Formation: \$6,751,426 including MTI Awards, SBA Loans, SBIR Awards and OPM
- Training Sessions: 47
- Training Recipients: 754
- Average Training Time per Participant: 5.25 hours
- 82% of SBTDC Economic Impact thru MTI Relationship

*Maine’s Technology Business Support Collaborative*

### **MTI/Maine SBTDC – Partnerships: the Key**

With respect to the MTI, inclusive of its Maine SBTDC collaboration, July, 2002 – June 2004:

- **MTI programs have been very successful in a short time in supporting substantial innovation activity, particularly in the private sector, that is likely to have positive impact throughout Maine. MTI funded companies have raised more than \$20 in federal support and private investment for every \$1 of MTI funding. Over a quarter of MTI-funded projects have resulted in products on the market.**

USM Center for Business & Economic Research, 12/31/2004

*Maine's Technology Business Support Collaborative*

### **MTI & Maine SBTDC**

**The “T” is for Technology**

**The “&” is for Collaboration**

**~ Giving Maine Promise ~**



*Maine's Technology Business Support Collaborative*