

IOWA STATE UNIVERSITY

# Driving Impact Through Iowa State's Economic Development Ecosystem

*Science with Practice*

*David Spalding*

*Interim Vice President for Economic Development and Industry Relations*

*Dean, Ivy College of Business*

IOWA STATE UNIVERSITY

# Iowa State Promotes Economic Growth in Iowa

- Provides business and technical assistance to existing companies
- Supports the creation of new companies
- Helps attract new companies and entrepreneurs to Iowa
- Creates intellectual property and helps move research ideas to the market
- Contributes to workforce and entrepreneurial development



# Economic Development

*Direct report to the President*

VP Economic  
Development &  
Industry  
Relations

America's  
Small  
Business  
Dev't  
Center

Center for  
Industrial  
Research &  
Service

Iowa State  
Research  
Foundation

Office of  
Intellectual  
Property &  
Tech  
Transfer

Pappajohn  
Center for  
Entrepre-  
neurship

Iowa State  
Research  
Park  
  
ISU Startup  
Factory

# Center for Industrial Research And Service



Ron Cox, Director

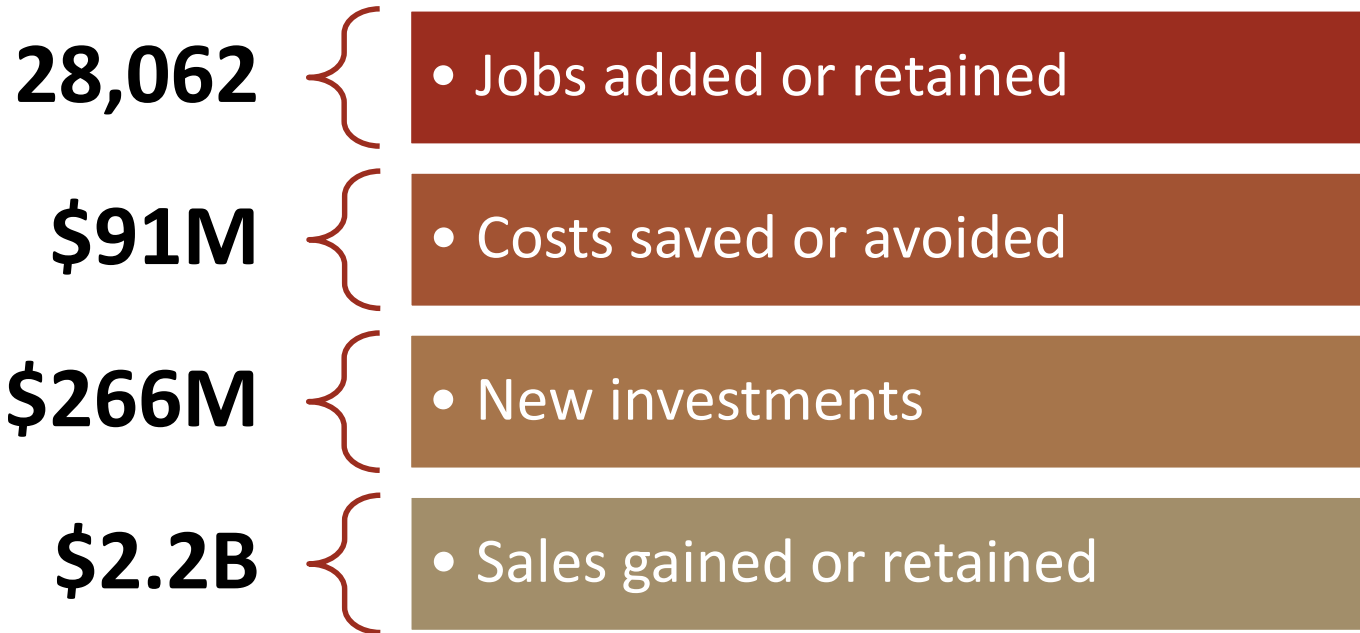
## Programs

- State of Iowa Technology Assistance Program (funded by appropriation)
- DOD Procurement Technical Assistance Center
- Department of Commerce Manufacturing Extension Partnership Program
- Economic Development Administration University Center Program

## **Impact of State Funding (\$1,400,000)**

State funding is used to provide assistance to manufacturers and small businesses. Every \$1 of state funds is used as match to acquire over \$1 of federal funds to expand services to Iowa companies.

# CIRAS Impacts Over Five Years



# CIRAS and Iowa Lean Consortium (ILC) Merge

- ILC formally moved under CIRAS July 1, 2018
- ILC brings over 150-member organizations from manufacturing, healthcare, finance, insurance and government
- Member-driven model will expand reach to more Iowa businesses
- Goal: Develop people, eliminate waste from processes



# Engineering Capstone Projects - 2017

158

- Projects completed by College of Engineering & College of Agriculture & Life Sciences Students, 131 of which were at Iowa companies

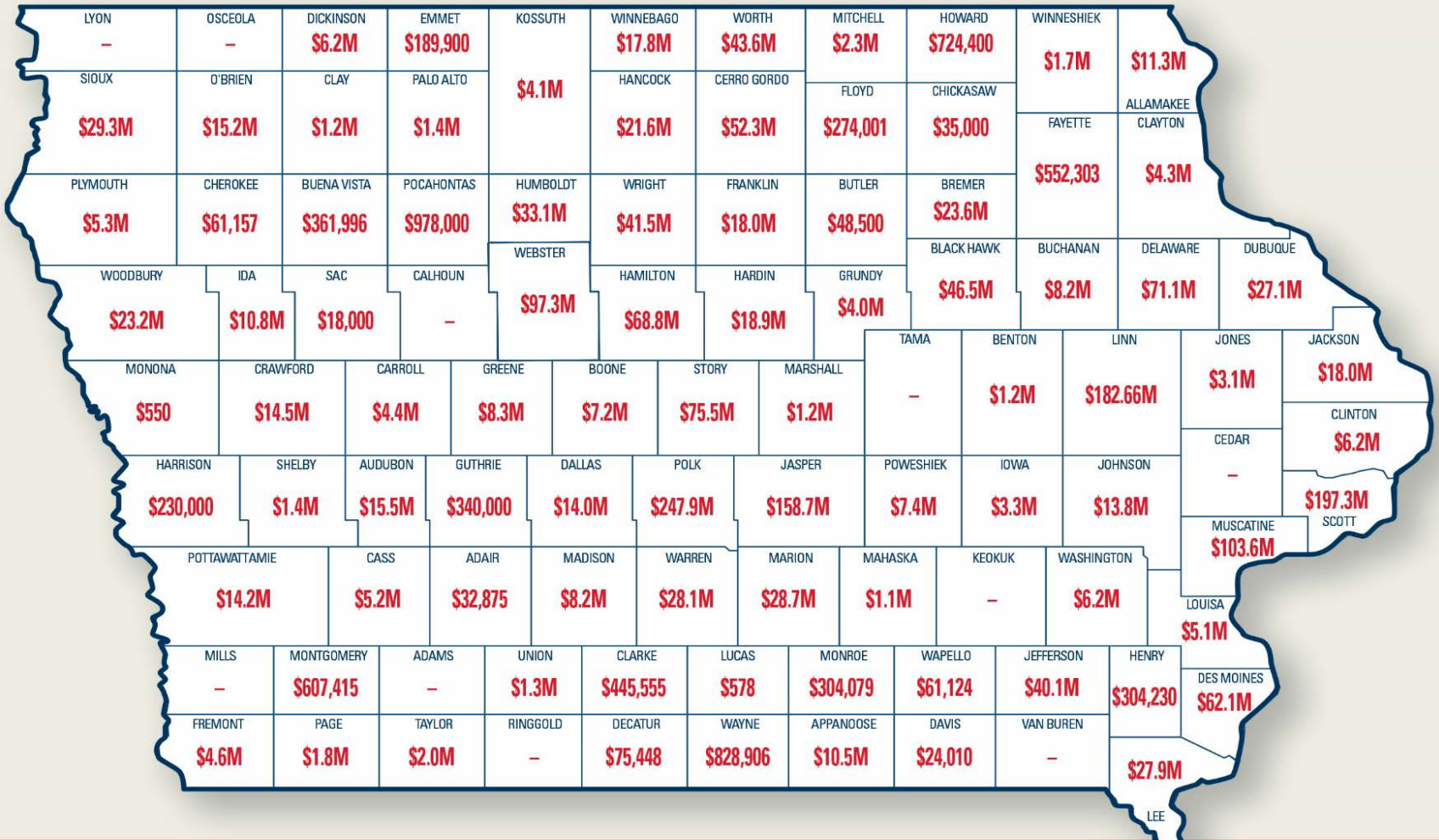
80

- Different companies across 34 Iowa counties

>\$63M

- Impacts reported by companies responding to surveys

# CIRAS Economic Impact



# CIRAS' five-year economic impact was more than \$2.5 billion

# America's Small Business Development Center



Lisa Shimkat, Director

- 15 regional centers across the state
- Serving all 99 counties
- Helps to start new companies
- Provides business services and counsel to existing companies to
  - Solve management problems
  - Improve operations
  - Seek financing
  - Pursue new opportunities



## Impact of State Funding (\$841,000)

State funding accounts for nearly 50% of program dollars. Federal funding requires a 1:1 match, half of which must be in cash.

# SBDC Economic Impact

## SBDC Clients



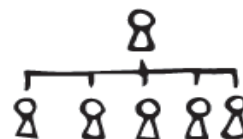
**24**

24 new businesses  
every month



**>\$9M**

Raised \$9,055,686 in  
capital every month



**153**

153 new jobs  
every month



**>\$9.3M**

Increased sales  
\$9,317,285 every month

## 2017 Year in Review



**293**

293 new  
businesses created



**>\$108M**

\$108,668,237 raised  
for capital funding



**1,845**

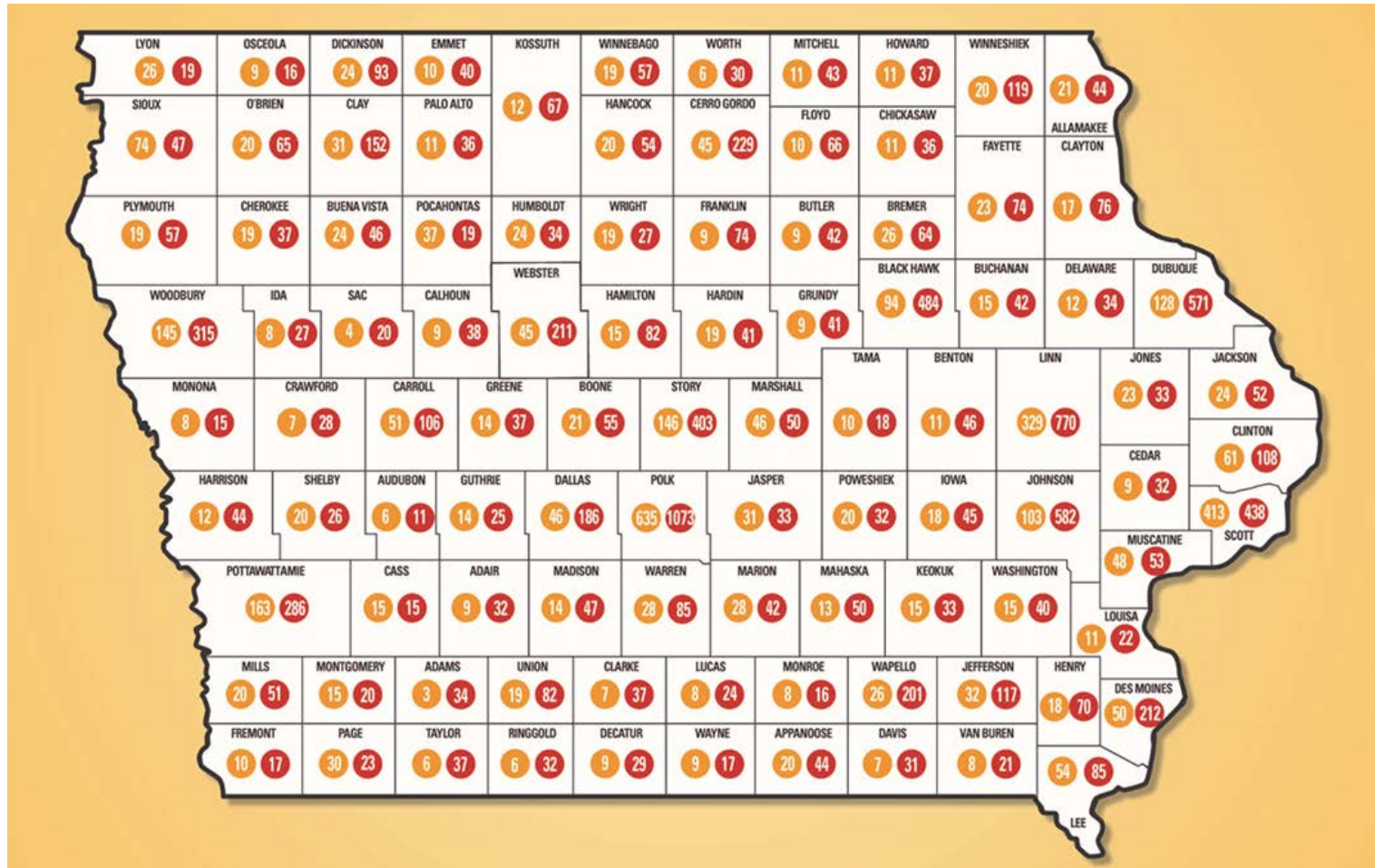
1,845 new  
jobs created



**>\$111M**

\$111,807,427 in  
sales increases

# CIRAS and SBDC Statewide Impact



Program Snapshot FY13 - 17

- CIRAS served 3,922 different clients in the last five years
- SBDC served 9,859 different clients in the last five years

# ISU Research Foundation FY18



Lisa Lorenzen, President

- ISU researchers submitted 145 disclosures of intellectual property
- Technology transfer office filed 89 patent applications
- 42 U.S. utility patents issued



- ISU ranked #86 on list of top 100 institutions with issued patents
- ISU technologies resulted in 51 license and option agreements worldwide

## Impact of State Funding

The ISU Research Foundation is self-supportive and provides funding back to the university to support research and economic development efforts.

# Economic Impact of Federal Funding –

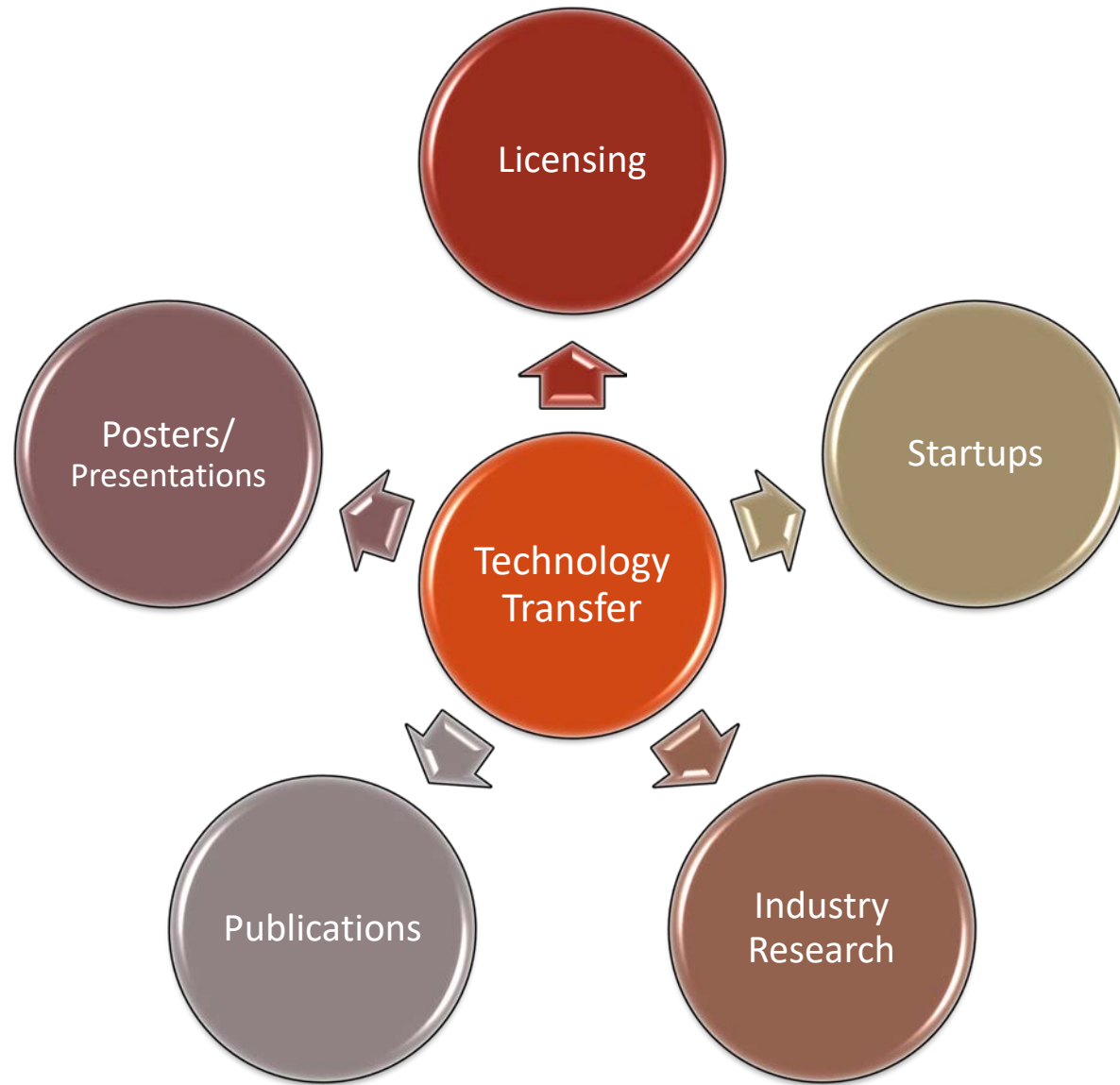
**FY18**

## Iowa State

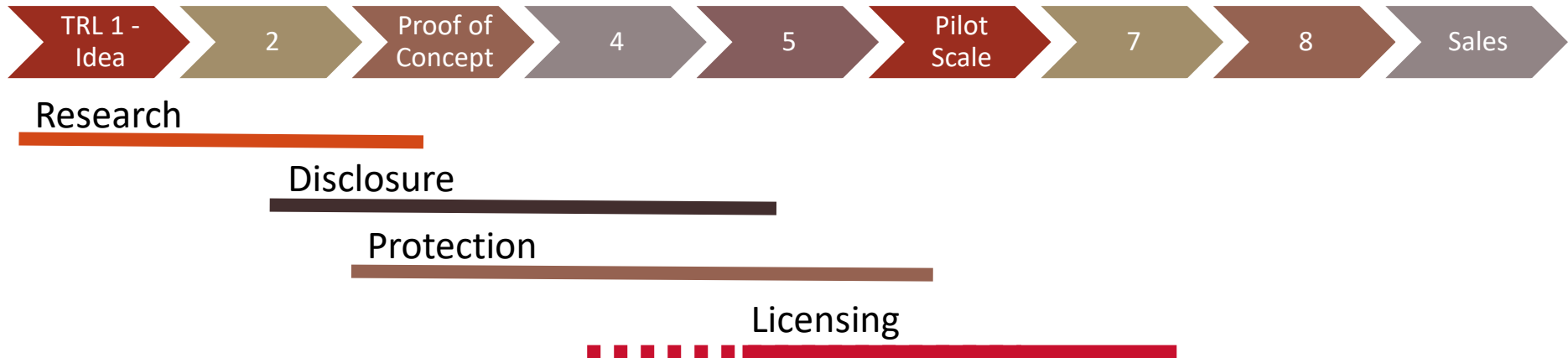
- Federal Budget: ~\$255M
- Payroll: \$73.5M
- FTE: **~700**
- Goods/Services \$4.6M
- Research Park \$1.7M
- ISURF
  - 41 technologies
  - \$550,000 royalties

## Ames Lab

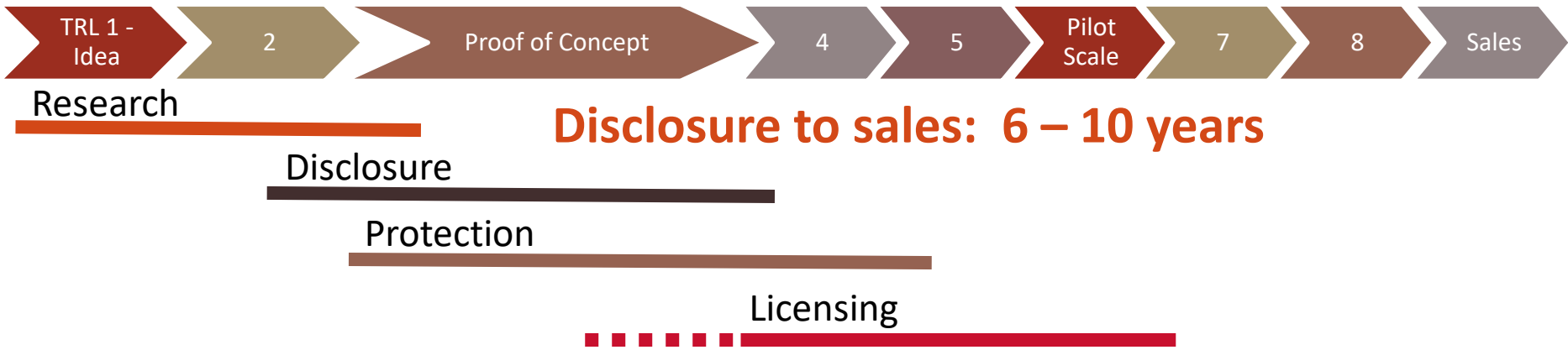
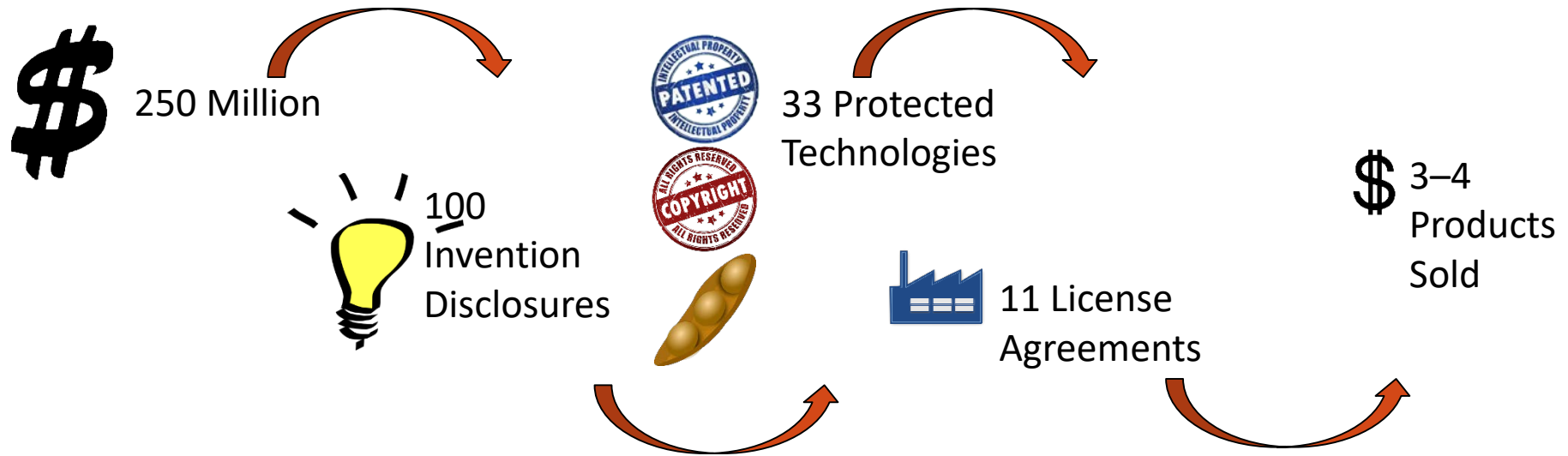
- Federal Budget: \$54.4M
- Payroll: \$20.5M
- FTE: **450**
- Goods/Services: \$2.8M



# Technology Transfer: Technology Readiness Levels



# Technology Transfer



# Regents Innovation Fund



- 163 projects supported
- >100 Iowa companies have participated
- 55 startups assisted, including 34 that were started as a direct result of GIVF/RIF funding

Kris Johansen, Program Manager

- One industry partner reported a \$30 million impact via increased and retained sales
- Over history of program, approximately \$3 dollars in additional funding has been brought in for every \$1 invested in R & D projects
- Recent company partners include Diamond V, MTI, Seigwerk, UTAS, Gross-Wen Technologies, and Global Vet Link

## **Impact of State Funding (\$1,050,000)**

RIF is the primary source of flexible funding to support economic development, research for initiation of startup companies, and to seed early stage research that has high potential for commercial success.

# ISU Research Park



Warren Madden, Interim President

- Founded in 1987
- First tenant in 1990
- Started with 200 acres, today has 400 acres

## Impact of State Funding (\$367,355)

Supports a variety of economic development projects, to facilitate innovation from both on- and off-campus by providing workspace, collaboration, and educational assistance for startups through established Fortune 500 Companies



# Iowa State Research Park



**>90 companies**

call the ISU Research Park home



**>2,100 people**

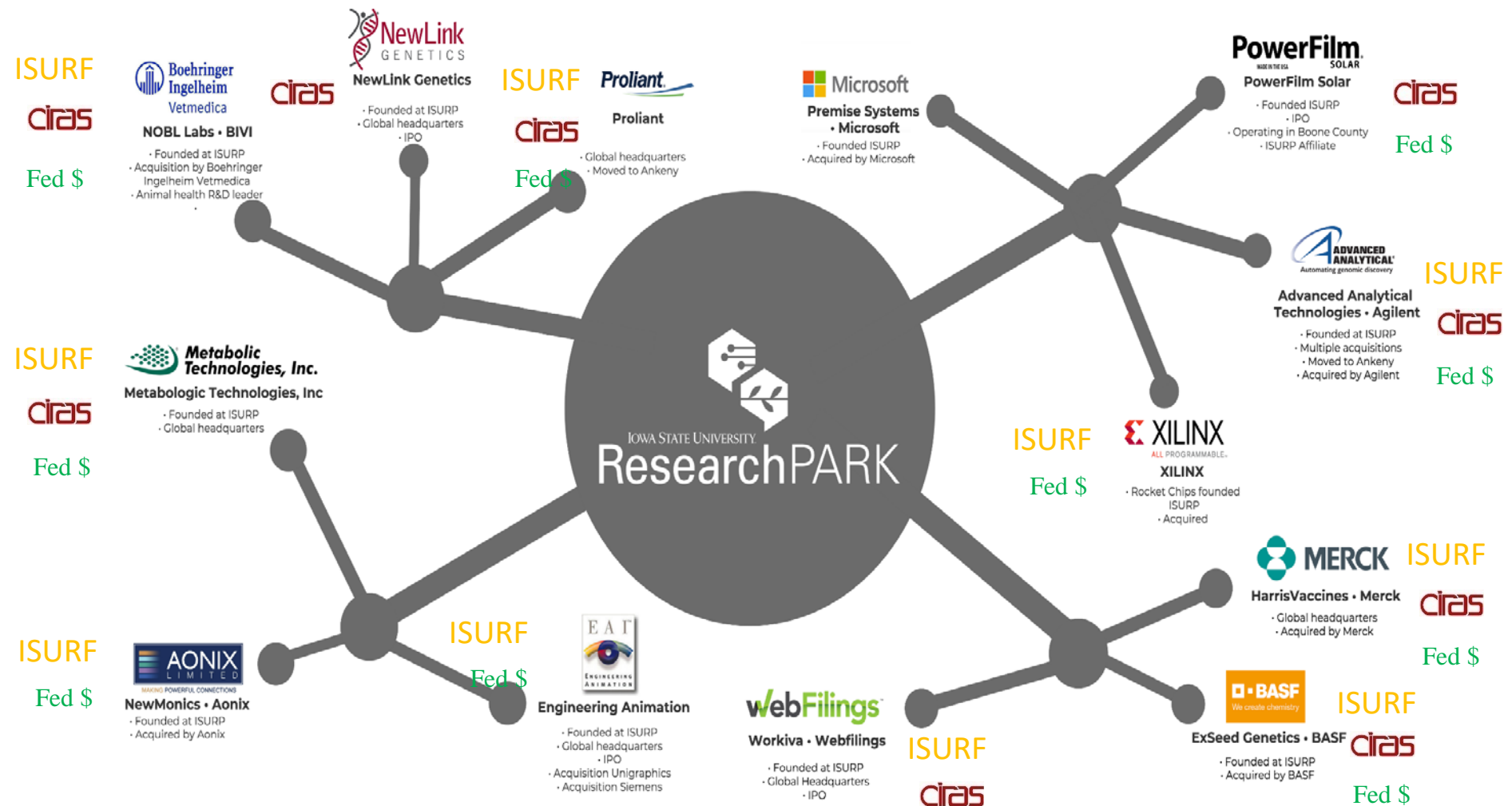
are employed by ISU Research  
Park tenants



**400 acres**

and more than 750,000 square  
feet of building space occupied

# EDIR Ecosystem: Company Success



SBDC has worked with three of these clients

# ISU Research Park: Iowa Companies



# ISU Startup Factory



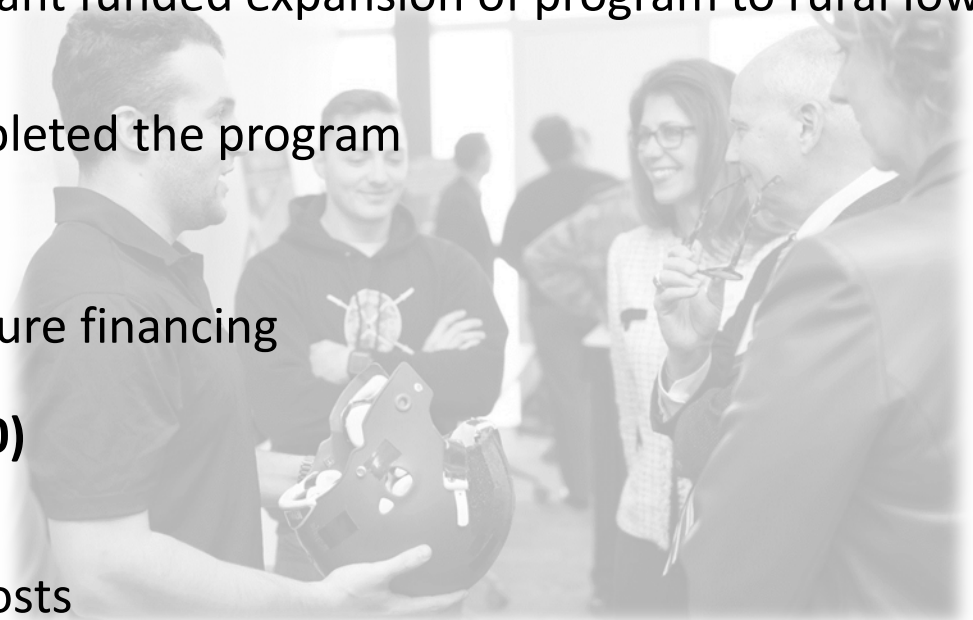
Bill Adamowski, President

- Launched 1st cohort June 2016
- Intense yearlong accelerator program
- Participants receive mentoring from experienced entrepreneurs
- Development grant funded expansion of program to rural Iowa

- Six cohorts have started/completed the program
- 70 jobs created
- More than \$20 million in venture financing

## **Impact of State Funding (\$150,000)**

State funding is used to support infrastructure and programming costs



# ISU Startup Factory



# of companies that have  
started the Startup Factory  
program:

**53**

# of companies  
currently enrolled:

**18**

# of jobs created by  
companies in the program:

**66**

Amount raised in venture  
financing since 2016:

**> \$20<sub>M</sub>**

# ISU Pappajohn Center for Entrepreneurship



Judi Eyles, Director

- Participates in university-wide academic programs in entrepreneurship, including:
  - Interdisciplinary minor in entrepreneurial studies
  - Graduate courses
  - A major in entrepreneurship for business students
  - A PhD program in entrepreneurship

- Provides students entrepreneurial opportunities, including Cystartners student accelerator
- Hosts statewide and local business plan and pitch competitions

## **Impact of State Funding (\$80,000)**

The state funding increases learning opportunities for students and increases resources available to current and prospective entrepreneurs.



# ISU Pappajohn Center for Entrepreneurship - IMPACTS



# Workforce Development



**2,400**

*Iowa  
Internships*

**1000+**

*Iowa  
companies*

**268**

*communities*

**7,500**

**Students**

Entrepre-  
neurship,  
startup, &  
small  
business  
classes and  
programs

**131**

Eng.  
*capstone*  
projects

**80**

*Iowa*  
companies  
across

**34** Counties

**200+**

Interns at  
the ISU  
*Research  
Park*

**15**

Business  
teams

**19**

Students

**32**

Projects

**70**

Students

Iowa State University has a **94% placement rate** for new graduates within **6 months** of graduation.

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# Questions