

**Iowa State University**  
**Research Park**  
**Pappajohn Center for Entrepreneurship**  
**Small Business Development Center**

**ISU Research Park**

The mission of the ISU Research Park is to provide an environment where established technology-related organizations and science and technology entrepreneurial ventures can develop and prosper in Iowa.

**ISU Small Business Development Center**  
**Pappajohn Center for Entrepreneurship**

The mission of the ISU Pappajohn Center for Entrepreneurship is to enhance the entrepreneurial capacity and capability of ISU and the State of Iowa through education, programs and business assistance.

The Research Park and the Centers have a combined management structure and shared mission to **develop a culture** that encourages entrepreneurship and innovation, and **provides the tools, resources, and an environment** necessary for building or improving Iowa's businesses.

**Measures of Success**

**Goals**

1. Create a physical environment for established and new entrepreneurial technology businesses.
  - a. Buildings → Space
  - b. Infrastructure → Information Technology and Laboratory Facilities
2. Provide a business support network to help launch successful new companies in Iowa.
  - a. Increase number of technology businesses spinning out of ISU.
  - b. Increase student participation in entrepreneurial ventures in Iowa.
  - c. Increase number of entrepreneurial business throughout the state.
  - d. Increase number of employment opportunities to Iowa's students and residents.

## Program Impact/Success

<b>ISU RESEARCH PARK</b>	
<b>Investment</b> 4.5 FTE	\$45.5 Million Public & Private Investment (72% Facilities) Total Assets \$13 Million, Total Liabilities \$10.5 Million (ISURP Corp.) Annual Budget \$1,893,438 \$337,690 State Grants \$1,555,748 Building Rents
<b>Return</b>	<ul style="list-style-type: none"> <li>• 120 Companies (50 Current Tenants and Affiliates)</li> <li>• 80 Companies Started in the ISU Incubator</li> <li>• Over 800 Employees Currently On Site</li> <li>• 27 Companies Have Relocated in Iowa → 516 Employees</li>   <li>• 125,000 Sq. Ft. Multi-Tenant Space (26,000 in Construction)</li> <li>• 275,000 Sq. Ft. - Buildings</li> <li>• 48,000 Sq. Ft. - Lab Space</li> <li>• 66 Acres for Growth +100 Acres for Future Development</li> <li>• 2 Incubators – includes new wet lab incubator + Lab Equipment → \$500,000 IDED – 100% occupied since opened</li>   <li>• From 1986 to 1996 - 14 Failed Companies</li> <li>• In Last Five Years, Only 1 Company Lost Due To Failure</li> </ul>

<b>ISU PAPPAJOHNS CENTER FOR ENTREPRENEURSHIP</b>	
<b>Investment</b> 2.0 FTE	\$304,326 Pappajohn Center (Private Gift) \$ 50,300 Reiman Internship (Endowment) \$ 50,000 Software Lab (Sponsored)
<b>Return</b>	<ul style="list-style-type: none"> <li>• 30-50 High Tech Clients Per Year</li> <li>• 3,880 Students, Faculty, Community Involved</li> <li>• 50-100 Laboratory Students Per Year gain experience solving real business problems and find employment opportunities</li> <li>• 300 Students Enter Entrepreneurship Minor Curriculum Annually</li> <li>• 750 Elementary Students in Entrepreneurship Curriculum</li> <li>• 15,000 Student Hours Directly Supporting Technology Companies through Labs and Internships</li> <li>• Venture Capital Conference – over 1,400 attendees in 2 years brings students and entrepreneurs together – cooperative effort between all of the Pappajohn Entrepreneurial Centers in Iowa</li> </ul>

<b>ISU BUSINESS DEVELOPMENT CENTER</b>	
<b>Investment</b> 1.5 FTE	\$156,265 (State and Federal)
<b>Return</b>	<ul style="list-style-type: none"> <li>• 350-400 Non-Technology Clients Assisted Annually</li> <li>• 300 Smart Start Business Basics Workshop Attendees Annually</li> <li>• 3,000 Student Hours Supporting Actual Companies through Business Laboratories</li> </ul>

<b>COMPANY EXAMPLES</b>	
Palisade Systems	<ul style="list-style-type: none"> <li>• IT Company → Network Security</li> <li>• ISU Faculty Entrepreneur</li> <li>• 1999 Employment → 10</li> <li>• Current Employment → 26</li> <li>• Center Provided Business Assistance, Student Interns, Research Services, Investment Capital Network</li> </ul>
Atanasoft	<ul style="list-style-type: none"> <li>• Software Development Company and Job Shop</li> <li>• 2001 Employment → 1 Employee (ISU Alum)</li> <li>• 2002 Employment → 16 Employees (including 2 ISU recent graduates)</li> <li>• Development of Software Development Laboratory</li> <li>• Potential for additional company sponsors/partners statewide</li> </ul>
Newlink Genetics	<ul style="list-style-type: none"> <li>• Cancer Research And Bioinformatics</li> <li>• 2000 Employment → 3 Employees</li> <li>• 2002 Employment → 24 Employees (75% Of Whom Are MDs, PhDs Or Both)</li> <li>• Plan To Double In Size In The Next Year</li> </ul>

### Challenges/Opportunities

The challenge for the Research Park and Pappajohn Center/SBDC is to define how the organization will grow. Growth will be a function of financial resources.

<b>ISU Research Park</b>	<b>FY01 Actual</b>	<b>FY02 Budget</b>	<b>FY03 Estimated</b>
State Appropriations	\$ 385,271	\$ 373,275	\$ 334,828
ISU	87,656	79,329	80,000
IDED-ARC	100,000	0	0
Rents	1,615,505	2,042,174	2,106,500
Other	124,218	64,000	65,000
<b>TOTAL</b>	<b>\$2,586,328</b>	<b>\$2,312,650</b>	<b>\$2,558,778</b>

ISU Research Park

The Research Park receives funding from rents for facilities and for debt service and operating costs. State funding has supported the economic development mission of the Park by paying for administrative costs and services provided early stage companies, costs that otherwise would have to be paid by rents.

Reductions in State funds have been magnified by the fact that in the same period the Park has nearly doubled in square footage, much of the expansion being lab space for biotechnology companies. Laboratory space is nearly three times as expensive to develop and significantly more difficult to operate. The loss of State support will have to be offset by reductions in service and increasing rents, an expense that young companies are frequently unable to afford. The Research Park will be forced to operate more as a developer of real estate to protect our current assets, and less as a leader in the development and diversification of the economy of the State of Iowa.

Pappajohn Center/ISU Small Business Development Center

The melding of the Pappajohn Center and the ISU SBDC recognizes their common mission to support new and existing business. At Iowa State, we have focused on technology business while maintaining our support of the general Central Iowa business community.

The combining of these two organizations assured an effective and cost efficient use of all of our resources. Combining operations with the Research Park will extend the efficiency and opportunities of all the entities.

The business development work and student entrepreneurial opportunities are now largely supported by the support of John Pappajohn. Erosion in State support of business development activities reduces service, increases costs, and increases development time for new entrepreneurial ventures.

<b>ISU Pappajohn Center/SBDC</b>	<b>FY01 Actual</b>	<b>FY02 Budget</b>	<b>FY03 Estimated</b>
Pappajohn Center (private)	\$289,104	\$304,326	\$300,000
SBDC State Funding	\$ 95,202	\$ 90,634	\$ 69,150
SBDC Federal Funding	\$ 68,939	\$ 65,631	\$ 52,271
<b>TOTAL</b>	<b>\$453,245</b>	<b>\$460,591</b>	<b>\$421,421</b>

## **Economic Development Opportunities:**

### Biologics Facility

The Biologics facility is a \$50 million facility that may locate at the ISU Research Park. The Research Park has expended time and money in developing the project -- raising money and attracting potential tenants. It is very unlikely the Park will own or operate the facility; however, the benefits to the State could be substantial:

- Establish pharmaceutical production in Iowa
- Create high value markets for Iowa crops
- Attract additional biotechnology companies
- Lead to the establishment of full production facilities elsewhere in the State

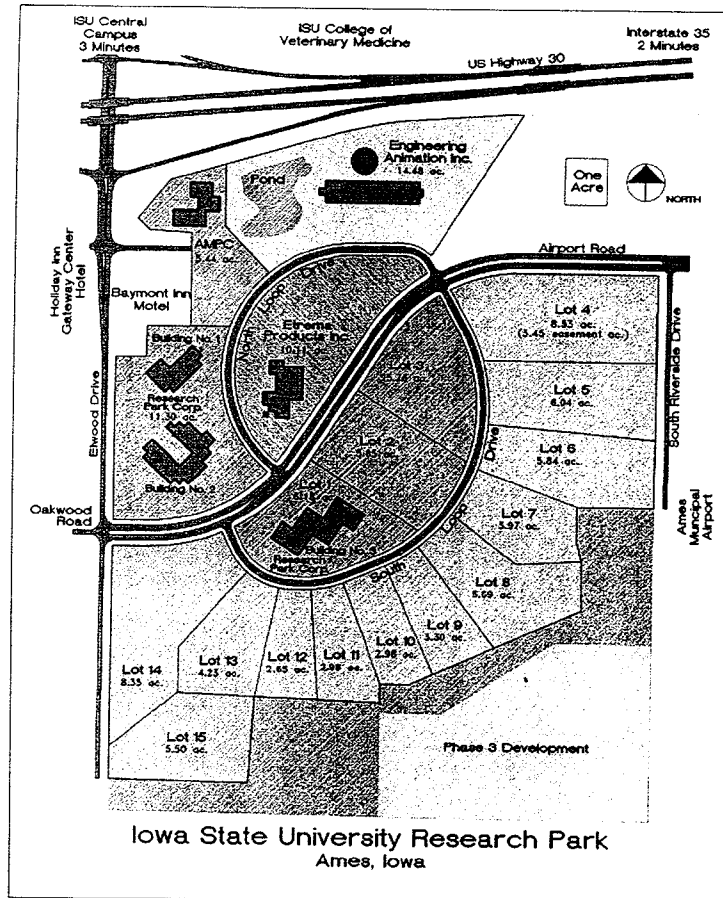
### Student Opportunities in Entrepreneurial Companies

The Park/Center has shown that Iowa students want experience in entrepreneurial companies, particularly technology companies. The Business Labs have demonstrated that Iowa students can learn while providing real value to the companies they work for; in addition, the experience leads many students to remain with the companies in Iowa after graduation.

### Statewide Access to Services

The Research Park, Pappajohn Center, and SBDC have accumulated a great deal of knowledge and experience in building and operating an Incubator and Research Park, as well as providing services for the companies. This knowledge is shared with communities and economic development groups throughout the state.

# Iowa State University Research Park Biotechnology Wet-lab Facility



ISU Research Park Corp.  
2501 North Loop Drive  
Suite 1600  
Ames, Iowa 50010

515.296.7275      Voice  
515.296.9924      Fax  
isupark@iastate.edu      Email

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



IOWA STATE  
UNIVERSITY

## Iowa State University Research Park

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

The Iowa State University Research Park plays a key role in the economic development activities of Iowa State University as it relates to technology transfer. It is part of a comprehensive innovation network. This network links technology creation, business formation, and development assistance with established technology firms and the marketplace.

The ISU Research Park is currently constructing a multi-tenant building that will house an 8,000 square foot wet-lab incubator facility. The incubation facility provides critically needed laboratory space for the growth and development of start-up, spin-off, and established biotechnology companies.

*"Our wet-lab facility will be the first of its kind in the state and will be a great complement to the plant sciences initiative at ISU."* Steven T Carter, Interim President, ISU Research Park.

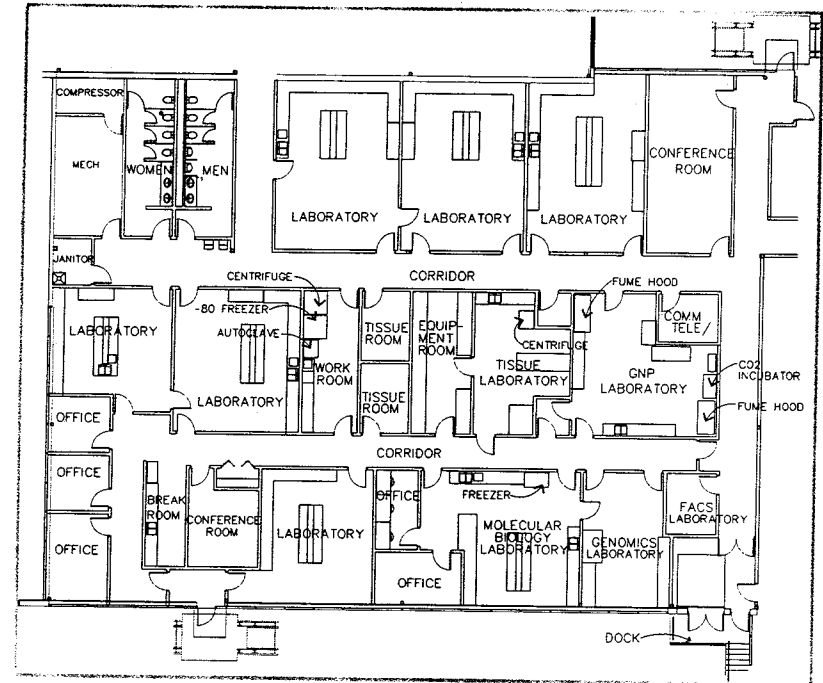
### Your Connection to:

#### Wet-Laboratory Space -

- ◆ Lab space available from 400 square feet up to 2,000 square feet, complete with fume hood, casework, sinks, eye washes, purified water, gas, vacuum, and air.
- ◆ Custom-designed labs also available
- ◆ Shared autoclave, centrifuge, freezer, tissue culture hoods, conferencing, and break room

#### Business Assistance & Opportunities -

- ◆ Business & entrepreneurial assistance through the SBDC and the ISU Pappajohn Center for Entrepreneurship
- ◆ 125,000 square feet of multi-tenant space
- ◆ Phase I (1987-1998) - 42 acres with 40 companies
- ◆ Phase II (Open 1998) - 15 building sites with 11 lots still available on 79 acres



The Iowa State University Research Park and its technology incubator—the Iowa State Innovation System (ISIS)—provide a unique link to a premier research institution, Iowa State University. The Research Park's wet-lab incubator facility and its proximity to the university afford many advantages to biotechnology firms including:

- ◆ Student interns
- ◆ Access to university laboratory equipment for supplemental research
- ◆ Scientific & entrepreneurial associations
- ◆ University expertise & collaborations
- ◆ State of the art telecommunications
- ◆ Technology-based business assistance
- ◆ Technology-based seed capital

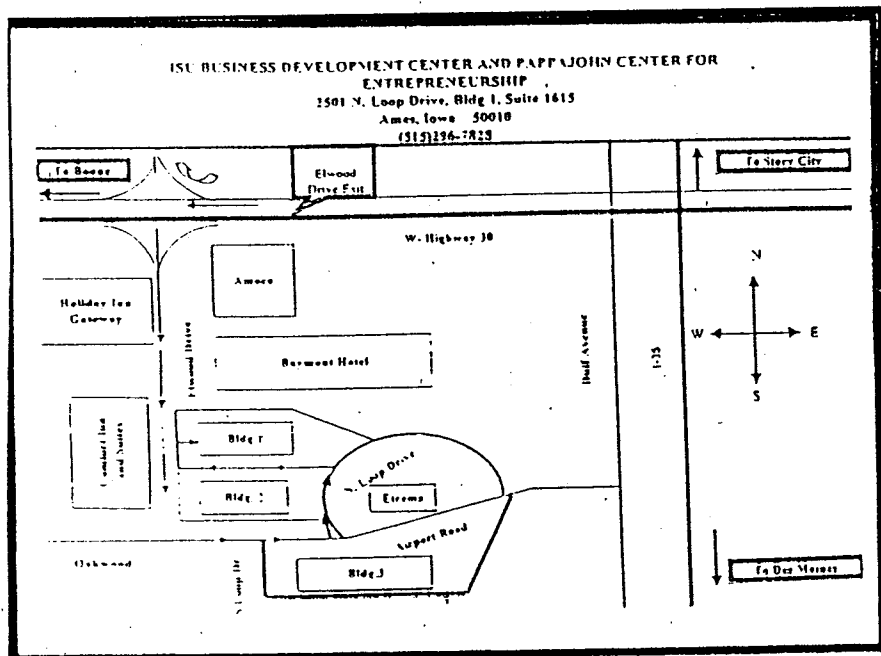
## When is Smart Start Offered?

**When:** Scheduled Tuesdays from 6:00 to 8:00 p.m.

**Where:** ISU Research Park, Building 1  
2501 N. Loop Drive, Suite 1615  
Ames, Iowa 50010

**Call:** (515) 296-7828 to Register

# Smart Start *Workshop*



10/01

The Iowa Small Business Development Center is partially funded by the U.S. Small Business Administration (SBA) under Agreement No. 2-603001-G-0016-21. The support given by the SBA through such funding does not constitute an express or implied endorsement of the cosponsor's) or participants' opinions, products or services. Appointments, promotions, admissions and programs in Iowa are administered equally to all without regard to race, color, age, religion, sex, national origin, sexual orientation, marital status, disability, or status as a Vietnam Era Veteran. Call 515-294-7612 to report discrimination.

10/01



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



## What will I Learn at Smart Start?

Starting a business involves **risk**—**risk** that the competition is too strong, risk that the size of the market isn't large enough, or risk that there isn't enough demand for the products or services offered to make a profit.

The **Smart Start** workshop will help you analyze your business idea and minimize the risk. You will learn how to create a Business Plan, do market research, think like a banker, consider different forms of business ownership and register your business.

The **Smart Start** workshop will also provide you the opportunity to ask questions, and is a gateway to further SBDC counseling.

## What is a Business Plan? (and why do I need one?)

A business plan is a document. Some are long (20 pages) but most are short (around 5 pages). Primarily a business plan describes:

- What is being sold
- Who is likely to buy
- How much they will spend.

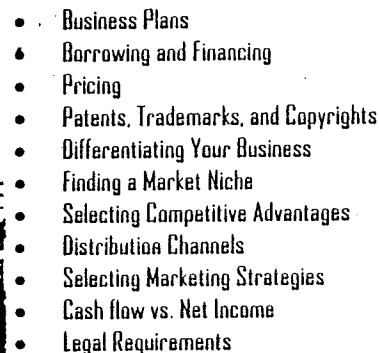
A business plan:

- Minimizes risk through planning and evaluation.
- Evaluates demand and business strength.
- Breaks a business idea into smaller, understandable pieces for evaluation.
- Identifies resource conflicts (often money or time)
- Creates a start-up plan (steps), and operations plan (long-term).
- Is required by bankers or other investors.

After **Smart Start** you will be in the position to see an SBDC counselor for detailed, one-on-one assistance.

## Who Should Attend?

The two-hour **Smart Start** class is appropriate for anyone considering business, regardless of their business experience. The class introduces the following topics:

- 
- Business Plans
  - Borrowing and Financing
  - Pricing
  - Patents, Trademarks, and Copyrights
  - Differentiating Your Business
  - Finding a Market Niche
  - Selecting Competitive Advantages
  - Distribution Channels
  - Selecting Marketing Strategies
  - Cash flow vs. Net Income
  - Legal Requirements

At the workshop, you will receive:

- A Business Plan Outline
- A List of Resources and Contacts
- Basic Business Start-Up Forms

"I thought the course was very beneficial. It eliminates some of the normal pitfalls that over time you forget. Also the plan keeps us on course. It also brought up useful ideas and helped point a direction of help when needed."

-SBDC Client

"I would highly recommend your program to others, You were very helpful and very willing to answer questions. Thank you. Without your help, I would not have started my business."

-SBDC Client