

IOWA STATE UNIVERSITY

Economic Development

Economic Development Outcomes

Presentation for Iowa Skilled Worker and
Job Creation Fund Study Committee

November 19, 2013

IPRT – Company Assistance

- Founded in 1987
- No-cost technical assistance, typically 40-60 hours per project
- Small-to-medium sized Iowa manufacturing firms where engineering staffs are small and resources are generally limited
- Provides access to world-class, materials-related research and technical expertise

Types of Services

- Center for Nondestructive Evaluation: use of noninvasive techniques (e.g., X-ray and ultrasonic)
 - Inspect incoming materials and finished products
 - Control manufacturing processes
 - Verify proper processing and assembly
 - Inspect for in-service damage

- Ames Laboratory: materials scientists and process metallurgists
 - Characterization of microstructures
 - Chemical composition analysis
 - Preparation and fabrication of advanced materials
 - Mechanical testing and characterization
 - Optical and electron microscopy
 - Identification and classification of manufacturing defects

Case 1: Materials Group worked with Insta-Pro International in Urbandale to test its replacement extruder parts

- Compared Insta-Pro's replacement extruder parts to its after-market competitors
- Insta-Pro used results from the performance comparisons to develop new marketing materials highlighting its product's superiority
- Significant positive impact on company's growth

Case 2: NDE group assisted Quatro Composites in Orange City

- Quatro manufactures carbon fiber for variety of industries; wanted to become an approved manufacturer of certain aerospace components
- Needed to ensure quality and establish capability to perform nondestructive inspection on them
- NDE helped company develop a suitable inspection protocol that met industry standards
- Resulted in significant increase in sales

Overview of Impacts

- Cumulative economic impact exceeding \$100M between FY2008-2012
- Helped with the development of 30 startup companies in Iowa since FY2002
- More than 700 interactions with Iowa companies in 71 counties since FY2006

Iowa Small Business Development Centers

- Federal FY2013 (ending 9-30-13)
 - Clients counseled = 2,579
 - Counseling hours = 10,900
 - 140 training sessions attended by 1,779
 - Jobs created and retained = 1,545
 - Capital infusion = \$48.97M
 - Increase in sales = \$42.06M
 - New businesses started = 209

- Since 2007
 - 15,172 clients counseled
 - 9,372 jobs created or saved
 - More than \$330M capital raised
 - 908 new business starts

ISU Research Park

- Created 1986; first building completed 1989
- Today
 - 230 acres (Phase I and II)
 - Approximately 440,000 square feet of office and lab/production space
 - 56 tenants employing approximately 1200
 - Total salaries in excess of \$70M annually
 - 40+ former ISURP companies employing in excess of 2500 have moved to other Iowa locations

- Phase II (in process):
 - 360,000 square feet of office, and lab/production space
 - Estimated 2500 employees
 - Total salaries in excess of \$140M annually
- Phase III plan:
 - 176 acres of new development
 - Approximately 1.0M square feet of office and lab/production space
 - Estimated 3000 employees
 - Total salaries in excess of \$170M annually

ISU Research Park 15-20 Years from Now

- 406 acres
- Approximately 1.8M square feet of office and lab/production space
- Estimated 6,700 employees
- Total salaries in excess of \$380M annually

Regents Innovation Fund FY2014 Plans

Proof of Concept Initiative Continuous RFP

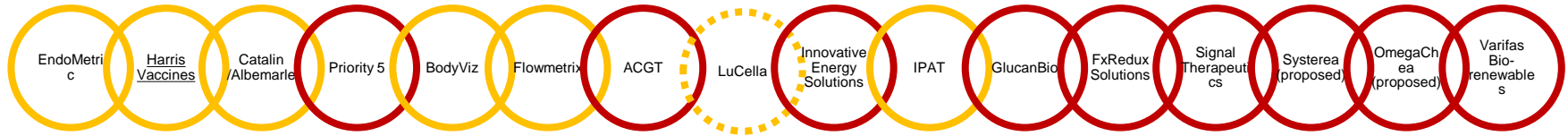
- Partner start-up and small companies with ISU researcher
- Funded in two phases, each phase \$50,000 over six months
- Leverages funding in addition to RIF – i6, IPRT-CA cost sharing, etc.

Programmatic Support

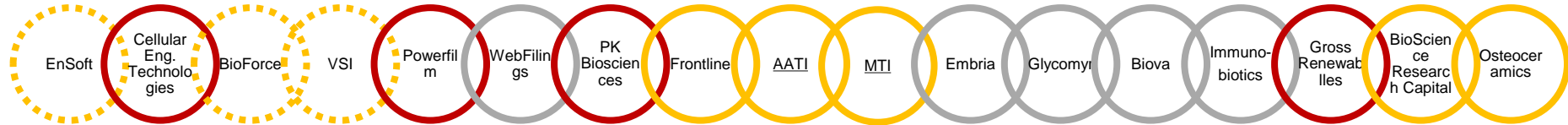
- Research Park
- Pappajohn Center
- OIPTT
- SBDC

Economic Development Funded Projects (Proof of Concept)

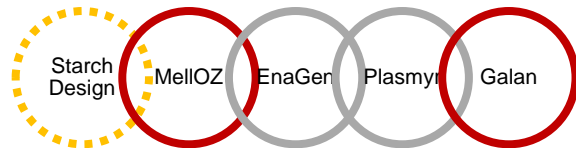
Companies started with GIVF/RIF/i6 research funds



Other Start-up companies with GIVF/RIF/i6 projects



Start-ups that were started and/or assisted by GIVF/RIF/i6 but failed or are suspended pending investment



- \$9.0M in research funding (~\$1M in still-active research projects)
- More than 60 companies have participated, including 38 start-ups
- 21 companies formed in 7 years
- Licensed: ISURF Intellectual Property (underlined are generating licensing revenue)
- Technology previously licensed or optioned
- Started based on ISU Research
- Not started based on ISU Research