

Creating Communities of Innovation

# Building America's Communities of Innovation

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## Technology Challenges Facing the U.S.

- National governments abroad are building large research parks and science centers, attracting top U.S. researchers and corporate research dollars
- Science and technology are now global commodities
- U.S. private corporate research centers are greatly downsized or no longer exist
- Corporate and federal support [sans stimulus funding] for R&D at universities is declining
- We are in midst of global economic turmoil

















### The Power of Place: Goals

- Increasing the commercialization of U.S. Government R&D to help feed innovation to U.S. Communities of Innovation
- Increasing domestic corporate research in the U.S.
- Strengthening existing and developing new Communities of Innovation
- Creating, retaining and importing technology innovation start-ups



### North American Research Parks

- Direct employment of more than 300,000
- Every research park job generates an average of 2.57 additional jobs, supporting over 750,000 jobs
- Only 13% of research park graduates failed, compared to 40% of technology start ups nationally



# Jobs Impact of R and D Funding



According to U.S.
Department of
Commerce, every \$1
million in R&D
spending generates 36
jobs

American Association of State Colleges and Universities: *Policy Matters*, October 2008





### Wainova Atlas of Innovation

[1951 Edition, if it existed then]



The U.S. invented the Research Park 100% of the Research Parks in the world were in the U.S. in 1951



## Wainova Atlas of Innovation: 2009 Edition

U.S. research parks make up only 70 pages of the 500 pages describing research parks around the world





# U.S. National Innovation Policies: Disaggregation

- Association level: AURP, NBIA, SSTI, AUTM, National Angel Association, NASVF, FLC, NVCA, America's Defense Communities, Government-Industry-University Roundtable, COC
- Federal level: EDA, NIST, Dept of Commerce, OSTP, SBA, NSF, DOE





## **Power of Place Policy Initiatives**

- Human Capital
- Physical Capital
- Technology Capital



















## **Physical Capital**

- Expansion and creation of new Communities of Innovation through federal loan guarantees [S. 583-Senator Pryor]
- Reforms in tax exempt financing of research facilities [private use issue]
- Enhanced Use Leasing (EUL) authority extended to all federal agencies for land and equipment



## **Human Capital**

- Support entrepreneurs and Science, Technology, Engineering and Math (STEM)
- Reform immigration laws to import smart entrepreneurs to U.S.
- A 21<sup>st</sup> Century Land Grant Act and Entrepreneurial Leave policies for federal researchers to connect with the private sector



# Land Grant Universities in the U.S.

This year we celebrate Lincoln's 200 birthday

President Lincoln signed the original Land Grant Morrill Act.

This federal law connected public universities with the then leading industry – agriculture—to advance science and to feed the world.

The Land Grant Act was the nation's first technology transfer program







#### THE WHITE HOUSE

#### WASHINGTON

August 4, 2009

### MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

FROM: Peter R. Orszag

Director, Office of Management and Budget

John P. Holdren
Director, Office of Science and Technology Policy

SUBJECT: Science and Technology Priorities for the FY 2011 Budget

Agencies should empower their scientists to have ongoing contact with people who know what's involved in making and using things, from cost and competitive factors to the many practical constraints and opportunities that can arise when turning ideas into reality.





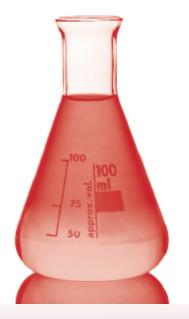
## **Financial Capital**

- Reauthorize and expand SBIR/STTR/TIP programs
- Develop new access to seed capital for small entrepreneurial firms [Innovation America National seed fund]
- Create Congressionally chartered federal lab technology foundation to allow private sector access to \$20B. of fed lab internal research



### Federal Labs: Communities of Innovation

Develop National Federal Laboratory
Foundation to help better commercialize the
\$20 billion of internal Research and
Development spending within federal Labs in
our communities

















# Integrating Federal, Academic and Private R&D Assets:

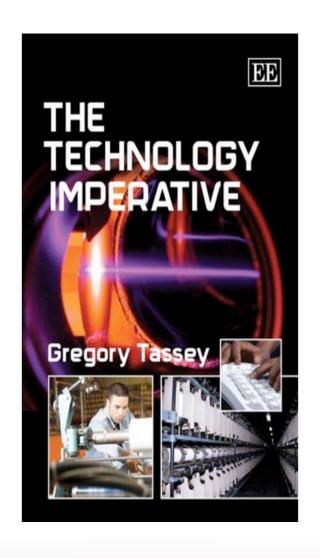
The Power of Place

Energy Innovation Hubs 'Science Under One Roof'









## Why is Power of Place important?

'Direct personal contact has been demonstrated by numerous studies to be the most effective way of diffusing technology knowledge'

-Gregory Tassey of the National Institute of Standards and Technology (NIST), *The Technology Imperative*, pg. 68



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## Better Science; Better Innovation; A Better World



















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