

The Role of Innovation in a Changing Economy

Indiana Forum for Research Administration
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Why/How is Rose-Hulman Involved?

- Ω "In the Business" for 20 years
- Ω Largest gift in history of Institute
- Ω \$29.7 Million
- Ω Three-year grant from Lilly Endowment, Inc.
- Ω Establish the Rose-Hulman Center for an Innovation Economy

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Outline of Presentation

- Ω Indiana's problems/opportunities
- Ω Concept of an Innovation Economy
- Ω Vision and mission of the Rose-Hulman Center for an Innovation Economy

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Trite but True

- Ω If a picture is worth a thousand words, then
- Ω An experience is worth a thousand pictures and
- Ω Rose-Hulman Ventures is about experience

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Indiana's Present Situation

- Ω Some chilling statistics:
 - 48th of 50 states in citizenry with BA/BS
 - 50th of 50 in professional employment %
 - Nearly 2/3 of engineers/scientists leave
 - Plants not headquarters
- Ω Indiana reflects some national realities
 - Mature product manufacturing retention difficult

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Past, Present & Future Economies

1800 1900 1970 1990 2000

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Requirements of an Innovation Economy

- ↻ Able people
- ↻ Stream of new ideas
- ↻ Technology development facilities
- ↻ Business development processes
- ↻ Access to capital
- ↻ Infrastructure
- ↻ Enabling governmental environment

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How Does This Effect Research Administration ?

- ↻ Colleges and universities are going to shift their emphasis from governmental and agency sponsored research toward corporate sponsored research and product development
- ↻ New clients with new preferences, timetables, and procedures.

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Hope for the Developed Economies !!!

If
Necessity is the Mother of Invention
Then
Affluence is the Father of Entrepreneurship
And
Sustainable Technological Innovation
is their *legitimate* offspring

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Mission of Rose-Hulman Ventures

- ↻ Foster creation and growth of innovation-based businesses by providing access to:
 - Infrastructure
 - Technical Support
 - Business Support
 - Capital
- ↻ Thereby providing:
 - Faculty/student educational experiences
 - Economic growth for TH and Indiana

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A Thought

In the long view, we should focus on
" i-commerce " instead of " e-commerce "

" e " is just the current embodiment of " i "

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Basic Operational Strategy

Seek access to resources rather than ownership of resources.

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Potential Clients and Partners

- Incubator Clients
 - Resident
 - Affiliate
- New Product Development Lab Clients
- Expertise Partners
- Financial Partners

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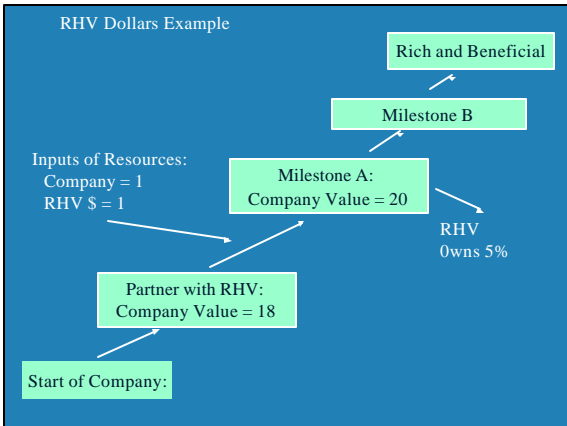
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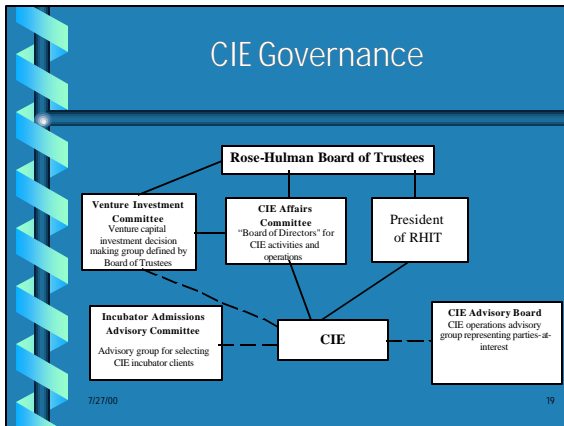
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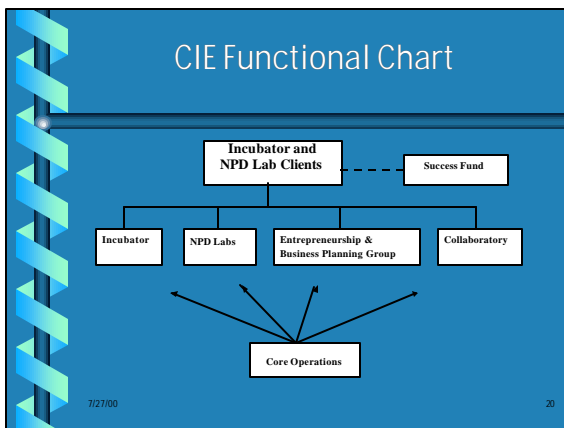
Questions ??

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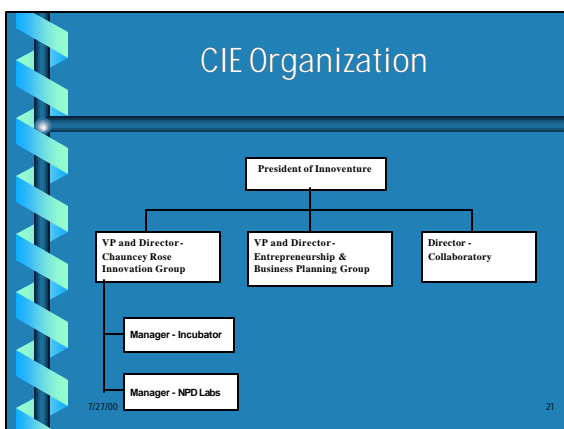




- ### Core Operations Group
- ⌚ Responsible for all CIE operations
 - ⌚ Marketing and public relations for CIE
 - ⌚ Development of partnerships
 - ⌚ Budget development and management
 - ⌚ Facility management
 - ⌚ Development of grants related to CIE
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- ### Chauncey Rose Innovation Group
- ⌚ Recruit CRIG clients
 - ⌚ Negotiate client relationships
 - ⌚ Provide space allocation to clients
 - ⌚ Provide technical support for clients
 - ⌚ Oversee Product Development Labs
 - ⌚ Oversee Support Labs
 - ⌚ Provide technical assistance to existing businesses
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- ### Entrepreneurship and Business Planning Group
- ⌚ Provide assistance to clients with business planning, marketing, etc.
 - ⌚ Provide liaison with the MS in Engineering Management program
 - ⌚ Oversee imbedded programs:
 - International Internships
 - Entrepreneurial Internships
 - Innovation Fellows
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The Collaboratory

- ↻ Provide computing and telecommunications support to CIE clients and staff
- ↻ Enhance the computing and telecommunications resources of the Rose-Hulman campus

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Why Propose This Specific Set of Activities ?

- ↻ If you do what you always did, you'll get what you always got!
- ↻ Parallel the workplace in the learning environment
- ↻ New cycle of progress on all fronts

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Success Fund

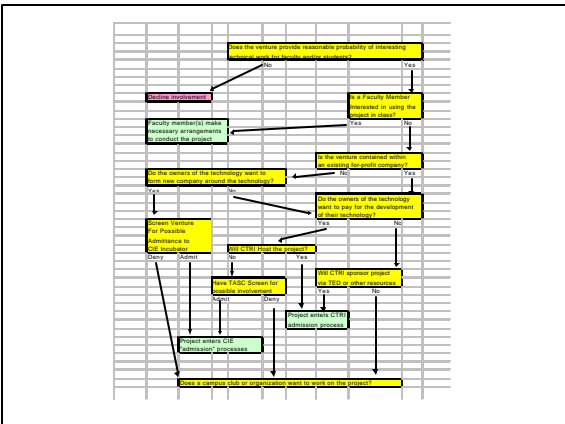
- ↻ Provide access to seed venture capital for CIE clients and other start-up companies
- ↻ Provide the RHIT endowment with pool of funds with potential to generate very high returns with zero risk to existing resources
- ↻ Assist the CIE to attract high-quality clients

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Just Do It !

- ↻ " I hear...I forget;
- ↻ I see... I remember;
- ↻ I do...I understand."

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For Clients/Tenants the RHCIE Provides:

Access to the full range of services needed to commercialize innovations

- office, lab, prototype production space
- business/communications services
- access to expertise for technological enhancement of products/services
- assistance with development of business and marketing plans

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a source of seed venture capital