



C.L. "BUTCH" OTTER
GOVERNOR

OPINION

FOR IMMEDIATE RELEASE:

April 12, 2011
11:023

CONTACT: Jon Hanian
(208) 334-2100

A "GEM" OF AN IDEA FOR IDAHO'S ECONOMY

By Governor C.L. "Butch" Otter

While small businesses are and will continue to be the foundation of our economy and the source of most employment in our state, it's only a matter of time before the next big employer rises in Idaho. I don't know who it will be or in what industry, but I'll put my money on one thing: It will be an Idaho start-up.

The Idaho Technology Council (ITC) understands that too. They have launched a new initiative called IGem that seeks to foster the new Idaho business "gems" with the potential to have a major impact on our economy. The organization is working with the Department of Commerce and my Idaho Innovation Council in pursuing our shared Project 60 goals.

Jay Larsen, president of the ITC, says his group sees three ways of doing this:

- Increase the amount of research at the universities;
- Get more great research technologies from our universities turned into businesses;
- Help more startup companies launch and grow.

Those are straightforward goals that have my full support and deserve yours as well. Now comes the hard work.

The ITC is a private group creating public-private links so everyone pulls together, in the same direction. Its research and development committee consists of vice presidents of research from all three public universities as well as top executives from the Center for Advanced Energy Studies, INL and private companies.

By the end of this year, the group will work out a proof-of-concept for IGem and create a detailed plan for putting it into action.

"When the economy grows again, we don't expect to see the state government grow. We hope that revenue increases then would be freer for possible uses such as research and development and growth programs like this," Larsen said.

IGem is patterned after a similar program in Utah called USTAR, created five years ago. That program is state-funded and has a goal of attracting world-class researchers to Utah universities in order to generate bigger and better ideas for commercialization.

The ITC isn't banking on state funding. Its leaders understand that showing a unified front makes researchers and programs more competitive for federal grants – and those are the big dollars. Connecting researchers with a structure to commercialize their ideas, and providing links to those who can provide business funding and business skills will also be an integral part of IGen.

As Larsen explains, this collaborative initiative could help someone in Rexburg or Salmon or Emmett connect with the right people to get their business launched. Having a structure in place to facilitate those connections will be especially important as the economy begins to grow again.

For a long time, Idaho has celebrated its home-grown successes.

There are some big ones: Albertsons, J.R. Simplot Co., Micron Technology, Melaleuca and Keynetics are among them. It's hard to remember when they were small start-ups. But many of Idaho's largest companies today grew from the ground up right here in Idaho.

These companies are important to the state and its citizens by contributing tax revenues that build roads and schools, and providing thousands of jobs. They also have been fiercely loyal corporate citizens for Idaho, with founders and top executives who grew up here and have done everything possible to stay here over the years.

Of course, some have had to make business decisions that took company headquarters elsewhere. That happens. But that doesn't diminish the fact that a huge employer grew up here and continues to supply hundreds of jobs throughout the state.

It's just a matter of time before the next company surges forward. There already are some contenders – like Inovus, M2M Communications and Transform Solar.

Like me, the ITC is in this for the long haul, and IGen isn't something that will be developed quickly. You can expect to hear a lot of talk this year about how IGen can be put into action. ITC members are working closely with me and our State agencies, and plan to meet with legislators in the coming month to discuss how they also can be involved.

###

Governor C.L. "Butch" Otter's Project 60 Updates provide information about ongoing job growth and business expansion throughout Idaho.

(676 words)