

# NEW MEXICO TECHNOLOGY COMMERCIALIZATION COUNCIL

Framing of Issues and Opportunities

# Why Does NM Not Place More Focus on Greater Tech Commercialization?

- Despite:
  - ▣ \$4-6 Billion in annual funded research – equivalent of 10 Stanford's or MIT's
  - ▣ NM is ranked #2 nationally in scientists and engineers as a percentage of the workforce
  - ▣ Innovation Capacity Ranking of #11
  
- Most NM generated IP gets licensed out of state

# The Council Was Created to Address This?



- Oil and gas proceeds, makes up nearly 20%
  - ▣ \$1.00 change in Oil = \$9M change in budget
  - ▣ \$0.10 change in Natural Gas = \$19M change
- Income Taxes – 25%
- Sales Taxes – 42% - Primarily Tobacco/Alcohol, Insurance and Motor Vehicles
- Investment Income – 10%
- Other – 3%

# Who is Involved?



- Presidents and Heads of Research/Tech Transfer – UNM, NMSU, NMT
- Directors and Heads of Tech Transfer – LANL and Sandia
- Industry and Venture – LANB, Intel, Cottonwood
- Economic Development – Former Head of ED at Rio Rancho and Mesa del Sol
- Outside Experts – Oklahoma, Texas and NC

# Why is Now the Time to Diversify?



- New Administration in DC
- Focus on New Energy Sources Nationally and Globally – a strength for New Mexico
- Long Lead Time to Significant Results
- Other States are Making their Bets

# Give Me Some Examples

- Texas - \$3 Billion 2020 Cancer Research Initiative, Plus \$200 Million Emerging Technology Fund, \$500 Million to Upgrade Research Universities
- Massachusetts - \$1 Billion 2015 Life Sciences Act – Create Jobs, Drive Innovation & Start-up Activity
- Ohio - \$1.1 Billion Third Frontier Project – Expand High-Tech Research Capabilities, Create High-Paying Jobs
- Virginia - \$3 Billion Higher Education Bond Proposal
- Canada - \$2 – 3 Billion – Research Chairs Program – Recruit & Retain up to 2,000 Star Faculty
- North Carolina - \$1.2 Billion Biosciences Program

# How Do We Compete with That



- First Decide we want to compete
- Then compete where we can win
  - ▣ Focus resources
  - ▣ Pick area (s) of sustainable advantage
  - ▣ Commit to long term holistic plan
  - ▣ Build statewide consensus and endorsement
  - ▣ Be loud and aggressive

# What About the Current Bets?



- Film Industry?
  - Sustainable Advantage?
  - Based on Core Competency?
- SuperComputer Center?
  - Jobs Impact?
  - Sustainable Advantage?
- SpacePort?
  - Statewide Impact?
- Green Grid?
  - Jobs Impact?

# So What Should the Criteria be?



- Leverages Statewide Core Competency and Resulting Statewide Impacts
- Applicable to Multiple Large Markets
- Core Competency is Differentiable vs. Other States
- Potential to Create Multiple High Wage Jobs
- Consistent with State Image/Political Will

# Results from Council



- #1 – Energy from the Sun
- #2 – Smart Grid
- #3 – Oil & Gas
- #4 – Computing
- #5 – Nuclear Power
- #6 – Wind Energy
- #7 – Micro-Nano Systems
- #8 – Bio-Medical
- #9 – Bio – Fuels
- #10 - Sensors

# Focus on #1 to Best Leverage Resources



- Energy from the Sun
  - Solar & Algae
  - Leverages Series of State wins in both areas
  - Includes entire state
  - Focus on underlying core science advantages that can be sustained and leveraged

# What is a Holistic Plan



- ▣ Workforce training
- ▣ Public policy
- ▣ Incentives
- ▣ Tech Commercialization Funding
- ▣ Endowed Research Leadership Recruitment
- ▣ National Branding
- ▣ Industry Recruitment

# How Much Money is Needed?



- ❑ To compete with other states commitment must be comparable to the film industry/ Space Port at a minimum
- ❑ That means over \$100 million/year over a 5-10 year horizon (not all incremental) – let's get serious about competing and winning
- ❑ Permanent fund, tax incentives, private and federal government sources all must be accessed

# Next Steps?



- Draft a preliminary plan
- Solicit additional input from economic development groups statewide
- Educate legislature regarding statewide support at all levels of leadership
- Highlight statewide impact
- Brief incoming Governor candidates
- Line up first steps for 2011 legislative session

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