

BUSINESS OREGON

House Economic Development Committee

February 20, 2019



The OREGON INNOVATION COUNCIL and The OREGON GROWTH BOARD

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Oregon Innovation Council “Oregon InC”

- Launched in 2005 to commercialize emerging technologies born out of science and research
- Funded originally in 2007 for **\$26m** and included in 2019-21 GRB for **\$17.8m**
- Meets at least quarterly to provide guidance to Business Oregon and the Governor
- Provides recommendations for innovation program design and funding levels

Oregon InC 19-21 Investment Tools

- **Signature Research Centers:**

Operating support focused on developing a pipeline of emerging new technology companies and management of R&D projects

- **High Impact Opportunities Projects:**

Investments in distinct innovation or R&D projects to advance the growth of emerging industries; Not to be used for organizational operating support

- **Commercialization Fund:**

Gap funding for early-stage companies

- **Federal Small Business Innovation Research (SBIR) Support Program:**

Application support to help companies be more successful at the federal level; Matching grant assistance to leverage and fill gaps in federal awards.

Oregon Innovation Council “Oregon InC”

Since 2007

- **>250** companies supported
- **\$753.3 million** in follow-on funding
- **\$99.1 million** in state investment
- **7.6 to 1** funding leverage
- **400+ firms** used Signature Research Centers’ shared labs

Signature Research Centers

- Three SRCs:
 - ONAMI: micro-technology and materials science
 - OTRADI: bioscience and digital health
 - VertueLab (formerly Oregon BEST): clean-tech
- All operate slightly differently, but common themes are:
 - Mentor entrepreneurs or researchers with new technology
 - Help access federal and/or private funding sources
 - Connected to research universities

Commercialization Fund

- Provides capital for earliest stage businesses emerging from science and research
- **\$2.6M** for program in 2017-19 biennium
 - First round led to **50 applications** and **17 awards** totaling **\$1.6M**
 - Second round closed February 1, with 90 applications currently under review

High Impact Opportunity Projects

- Support emerging and high value industry sectors, removing barriers, supporting product development and testing, increase technology commercialization, or advance other aspects of industry innovation.
- Last two rounds funded **10 projects for total \$3.5M investment**
- 3rd RFP closes on Feb. 22nd with approximately **\$2M** in funding available

SBIR Support Program

- SBIR is a federal program to support technology commercialization – “America’s largest seed fund”
- **11** federal agencies provide over **\$2B** in grants
- Application support – small grants to researchers or other entrepreneurs pursuing federal R&D grants. **43:1 ROI** last biennium.
- Matching grants – provide funding to help fill important gaps that cannot be funded with federal dollars or further advance technology; **21 awarded** this biennium with more to come

Oregon InC 2019-21 GRB

2019-21 Oregon InC Investment Categories	Amount
Signature Research Centers	\$ 7.7m
Commercialization Fund	
High Impact Opportunity Projects	\$ 10.1m
SBIR (Small Business Innovation Research)	
Total Biennium Budget	\$ 17.8m (Lottery Funds)

Oregon Growth Board

- Created by the 2012 Legislature to improve access to capital for high-growth companies.
 - Invests in funds – venture capital, growth equity, debt funds, etc.
 - Targets capital gaps in strategic industries, company stages, geographies, and underserved entrepreneurs
 - 12-member board
- Assumed responsibility for managing Oregon Growth Account in 2014 from Treasury, also manages the Oregon Growth Fund.

Oregon Growth Board Investment Tools

- **Oregon Growth Account:**
Earn returns for the education through institutional and pre-institutional investments
- **Oregon Growth Fund:**
Supports new and existing capital initiatives that prioritize Oregon economic development

Oregon Growth Account

Earns returns for the education through institutional and pre-institutional investments.

- OGA invested **\$132.5M** since 2000, current value is **\$172.5M**
- **1.8%** Lottery Revenue directed to the account annually, approximately **\$10m** each year



LeadMethod



Oregon Growth Fund

- Invests in smaller funds and initiatives that are often more grassroots (like angel conferences) or new. Economic development and impact investing are priorities.
- 2019-21 GRB includes **\$2M** for the Oregon Growth Fund



Questions?

