



A Brain-draw for Wisconsin:

How to leverage the nation's talent and resources

A recent controversy brewed over the insertion of a small phrase in the American Recovery & Reinvestment Act (ARRA) following passage by both houses of Congress, but before it reached the President's desk, effectively **stripping \$229 million** in allocations to the National Institutes of Health (NIH) **from benefitting small businesses and universities** through the Small Business Innovation Research (SBIR) & Small Business Technology Transfer (STTR) programs. Why would anyone in today's economy work to **undermine the proven effectiveness of small business innovation** and collaborative efforts between industry and academia?

The motivation is perhaps not sinister but based on the complaint that **not enough high-quality proposals** are submitted to warrant an increase in the number of awards issued. Officials quote statistics that show a **decrease in the number of proposals** and cite a fear that more funds going to small businesses would support unworthy proposals. Nowhere in this scenario however is there room to **increase the number of high-quality proposals**. That's where our efforts can make the difference.

An army of innovative, energetic, committed researchers exists in this country, chomping at the bit for the chance to find appropriate opportunities. There are tens of thousands of innovators, inventors and entrepreneurs, many **unemployed and underemployed PhDs**, from across the spectrum of fields, lacking only knowledge of the resources to proceed. Many of these researchers entered graduate school in hopes of landing faculty positions in classrooms or laboratories, positions which simply do not exist in abundance enough to accommodate all the worthy candidates.

So far, we have done an abysmal job of placing these researchers in appropriate positions, where their talents will best be used, with the effect that society has lost a great many innovative ideas by neglect. The state of **Wisconsin has an opportunity** here to encourage the brightest of these who are already here to remain, and to draw a promising cohort from elsewhere. We need only make it a focus of our efforts. Our **cost of living and quality of life in Wisconsin** are major draws. The beauty of our many lakes and the abundance of recreation across the state are **assets that we too often undervalue**.

Wisconsin has great potential to **cultivate a culture of entrepreneurship and innovation**. By publicizing and enhancing the resources we offer (like the Wisconsin Entrepreneurs Network and the Wisconsin Technology Council) we can **encourage more state residents to compete** for federal grants and contracts, and **attract many from out of state** to join our ranks. By establishing **new state programs modelled on the federal SBIR & STTR**, we can leverage a modest investment into great rewards, supporting innovative research from the outset, and receiving benefits that will far outstrip their costs.

These efforts must be taken **in addition to state moves to encourage investment**, because many innovative ideas are too immature to garner the interest of Venture Capitalists and Angel Investors. By fostering innovation at the earliest stages, we **position Wisconsin for growth now and into the future**.

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"Sounding a better tomorrow"

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