

Testimony to Legislative Committee House Bill 123

- MTIP (formerly the SBIR Outreach Program) was created to meet the increasing demand for assistance with technology-development issues and programs other than just SBIR/STTR.
- MTIP provides individualized coaching and workshops to tech-based businesses, university researchers, independent technology developers, and the state's economic-development community.
 - Coaching and workshops help our clients understand the process of technology commercialization and the requirements of appropriate funding programs.
 - Individualized coaching helps clients understand how to craft proposals that will be competitive in targeted programs.
 - Workshops and personalized assistance focus on the complexities of intellectual property, government accounting, contract management, and most importantly, commercialization—i.e., moving the technology into the marketplace.
 - At stake is literally millions of dollars in early-stage R&D capital that VC and angel investors do not provide because of the high level of risk associated with technologies at this early stage.
 - Funds from federal programs like SBIR/STTR and Inventions & Innovation:
 - ✓ **do not need to be either matched or paid back.**
 - ✓ **is new money that comes into the state**, rather than just recirculating money already in the state.
 - ✓ **are used directly to support new jobs, high-paying jobs, business infrastructure, and even profits for the awardee.**
 - ✓ **can be used to match other funding sources**, such as MBRCT and GTAg.
 - ✓ **can be used by our universities** to support established researchers, to create new research opportunities for students, to more fully utilize university facilities and resources, and ultimately lead to increased royalty revenues from new technology being licensed to the business community.
- For nearly 10 years now, MTIP has done well, especially when coordinating its activities with those of MSU TechLink, MT Board of Research & Commercialization, NSF EPSCoR, MT Manufacturing Center, the universities technology transfer offices, the SBDCs, and other service providers:
 - MTIP leveraged its original \$50K in general funds into nearly \$500,000 in additional program-operation funding, mostly from federal funds.
 - MTIP is an inexpensive program costing ~\$100,000/year. But in coordination with other programs serving the state's technology businesses, MTIP contributes significantly to helping Montana companies win **\$10-\$15 million annually** in federal, early-stage R&D funds.
 - These figures do not begin to count company revenues and jobs created from sales when new technologies/services are successfully commercialized.

SUMMARY: MTIP is one of the most cost-effective, high-ROI programs Montana currently operates, paying for itself annually by at least 50X its cost. Failure to fund MTIP will eliminate the one-on-one coaching and workshops so many tech-based businesses in Montana have come to rely on.

**Successful University Researcher
and Company Collaborations
Served by Balsam and Elder**

- Promiliad BioPharma (Priestley)
- MSE Technologies (Matheson)
- Golden Helix (Lambert)
- PFM Manufacturing (Miller)
- SensoPath (B. Spangler)
- MPA Technologies (C. Spangler)
- Bee Alert (Bromenshenk)
- Z-Dye (Dratz)
- AdvR (Battle)
- Hylitech (Snyder)
- Anasphere (Bognar)
- Scientific Materials (multiple)
- Ligocyte (multiple)
- Resonon (Swanson)
- Purity Systems (Rosenberg)
- Montana Microbial (Bradley)
- S2 (Merkel, Mauritsen)
- Great Northern Growers (Pilgeram)
- Visual Learning Systems (Opitz)
- Reclamation Research Group (Neuman, Jennings)
- YERC (Crabtree)
- Bridger Photonics (Roos, Reibel)
- Montana Molecular (Quinn)
- General Intelligence (Arathorn)
- Creek Farm Education Consultants (Brody)
- CoHo Associates (Cook, Hoas)



**University of Montana's COBRE Program Seed
Funding Leads to Over \$3M in Montana Research**

ATERIS Technologies conducts bio-analytical based projects focused on biosensor development, capitalizing on the need for rapid detection of toxicity of nerve agents and organophosphate pesticides released into the environment, and the diagnosis of individuals affected by such toxins.

ATERIS Technologies will commercialize technology originating from the Center for Structural and Functional Neuroscience. COBRE Program financial assistance plus expertise and networking through MSU TechLink and the Montana MTIP program resulted in a federal SBIR fast-track award worth over \$2,500,000 and a second federal SBIR Phase 1 award worth over \$600,000.

Montana Molecular

Fluorescent Proteins for Live Cell Imaging



Commitment to Building a Sustainable Biotech Industry in the State of Montana

Montana Molecular develops fluorescent molecules for visualizing how living cells work. These molecules provide a means for understanding the mechanisms of disease as well as the normal function of the cell. This technology is being developed in collaboration with Montana State University.

Montana Molecular received Phase 0 funding and one-on-one technical assistance from the MTIP program that resulted in two federal STTR Phase I awards worth over \$500,000. It received technical assistance and support from MSU TechLink and has been a TechRanch client since February 2006.

