MONTANA
DEPARTMENT OF COMMERCE

MONTANA BOARD OF RESEARCH AND COMMERCIALIZATION TECHNOLOGY

Improving Montana's Economy

Since it began operations in 2000, the Montana Board of Research and Commercialization Technology (MBRCT) has played an important role in the development and support of technology-based Montana companies. This support has assisted Montana companies to complete research projects, resulting in the commercialization of products and services.

MBRCT has also supported many university-based projects. These efforts generally fall into two broad categories: 1) projects that increase the research infrastructure in the Montana University System by supporting basic research and facilitating the hire of researchers who have the ability to attract dollars and additional research expertise to their respective institutions, and 2) projects that involve the collaboration with Montana technology companies, resulting in the transfer of intellectual property that can be commercialized.

Report prepared by the Bureau of Business and Economic Research

In March of 2014, a report titled *The Economic Impact of the Montana Board of Research and Commercialization Technology* was released. The report was produced by the Bureau of Business and Economic Research at the University of Montana in Missoula. The report is a study of the effects on the Montana economy of the operations of the MBRCT. The results of the report are impressive. Below are items taken from the report:

- an average of 459 jobs (per year) have been created over this 14-year period which owe their existence to the operations of MBRCT, and average earnings for these new jobs have been $51,943 per year;
- more than $315 million in additional income was received by Montana households, measured in inflation-corrected dollars, over this 14-year period due to MBRCT, or an average of $22.5 million per year;
- after-tax household income of Montanans was higher by almost $229 million over the 14-year period because of the operations of MBRCT;
- Montana-based businesses and other organizations realized $718 million in increased gross sales, or more than $51 million per year on average, as a result of MBRCT activities,
- and the State of Montana's tax and non-tax revenues, not including property taxes, were $66.1 million higher in total in the 2001-2014 period due to MBRCT's impact on the economic base, with additional MBRCT-induced revenues averaging $4.7 million during each year.

"This study finds that the operations of MBRCT have produced a larger, more prosperous and more populous state economy since 2000 than would have existed in its absence."

"...since the sizable benefits of the scientific and technical advances for the economy these MBRCT-supported projects are not taken into account here, the economic impact estimates we present undoubtedly understate the actual contribution of MBRCT operations."

"We find that the impact of the program's operations have been substantial, especially when compared to the relatively modest size of tax-supported MBRCT grants."

"By almost any measure, the program's impacts have been substantial and it clearly has been a good investment in the state economy."

Additional Positive Results

In addition to the positive impacts described by the BBER report mentioned above, the MBRCT program has produced the following results:

- 208 projects have been funded with a total of $40 million in grants.
- $345 million in follow-on funding has been funneled into Montana from such sources as federal agencies, educational institutions, private businesses, non-profit associations and other state governments. $45 million of this amount has come from private sources. This has resulted in $8.63 in follow-on funding for every dollar granted by the program.
- The program has generated $1.13 in matching funds for every grant dollar awarded. Matching funds total $45 million.
- 53 projects have been commercialized, ranging from new wheat varieties to sensors and lasers to biofilm reactors.
- 159 of the projects have student participation, providing financial support and training in science and technology academic fields and some of these students have been hired by companies funded by the program. Faculty members are principal investigators for 119 of the research projects conducted at their respective universities.
- 13 start-up companies have resulted from program research projects.
- In addition to 13 start-up companies, 38 company expansions have resulted from program research projects.
- 225 scientific publications and professional presentations have resulted from program research projects.
- 137 patents have been applied for and/or received.
- 22 licensing agreements have been completed or are under negotiation.
- 89 Montana companies are program collaborators. These companies are grant recipients, have sold products resulting from program research projects or have otherwise been directly involved in program projects.

Program Contact

Dave Desch, Executive Director
Montana Board of Research & Commercialization Technology
Business Resources Division/Montana Department of Commerce
406-841-2760