



**BRIGHT IDEAS, BRIGHTER FUTURE.**

A catalyst for innovation and economic growth. **Now that's brilliant!**

## An Agenda for Tech-Based Development: Catalyzing Innovation for Economic Growth

**Connect. Align. Create.**

# Mission and Positioning Statements

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*The mission of TTDC is to strengthen the state's economy by building statewide innovation capacity that provides the business environment necessary for high-wage job creation in the 21<sup>st</sup> century knowledge economy.*

1. This is a synopsis of TTDC's state-mandated mission that is found in enabling legislation and reinforced by a state funding contract.
  2. Innovation capacity refers to an effective eco-system that fosters research and development, access to capital and effective support systems for high-growth enterprises.
  3. Jobs are a lagging economic indicator of TBED investments. TTDC is an economic development organization implementing a demonstration-phase project to be measured by non-traditional metrics. Jobs and capital investment can be measured in future years.
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## Salient Points

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1. TTDC has strong engagement and support from the private sector
2. TTDC was established in 1998 to complement existing state economic development programs and incentives to strengthen the state's economy and compete in the 21<sup>st</sup> century
3. After a dormant period from 2003 – 2007, TTDC was revitalized to demonstrate the value of state investments in coordinated technology-based strategies that lead to job and wealth creation
4. Competing states and nations focus on innovation-based development programs to complement industry recruitment
5. In two short years with limited one-time funding, TTDC has established relevancy and built the case for additional support while on track to become a national best practice

**Alignment of existing organizations around a coordinated innovation-based agenda is essential for long term economic growth.**

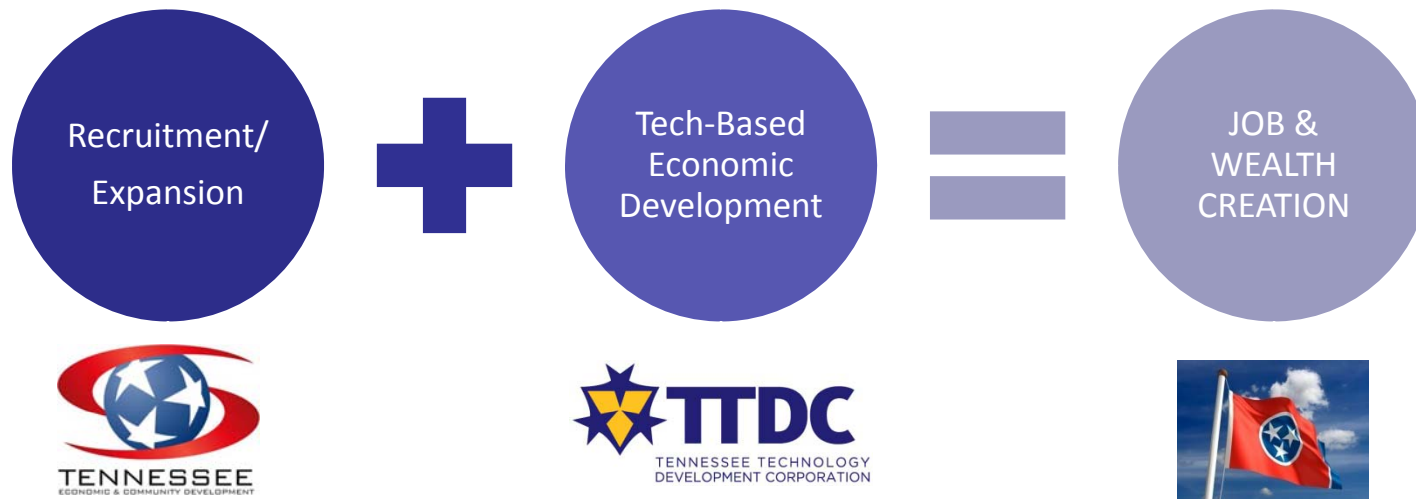
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# Part of a Comprehensive Plan for 21<sup>st</sup> Century Job Creation

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TTDC is part of a collaborative, balanced approach to statewide economic development:

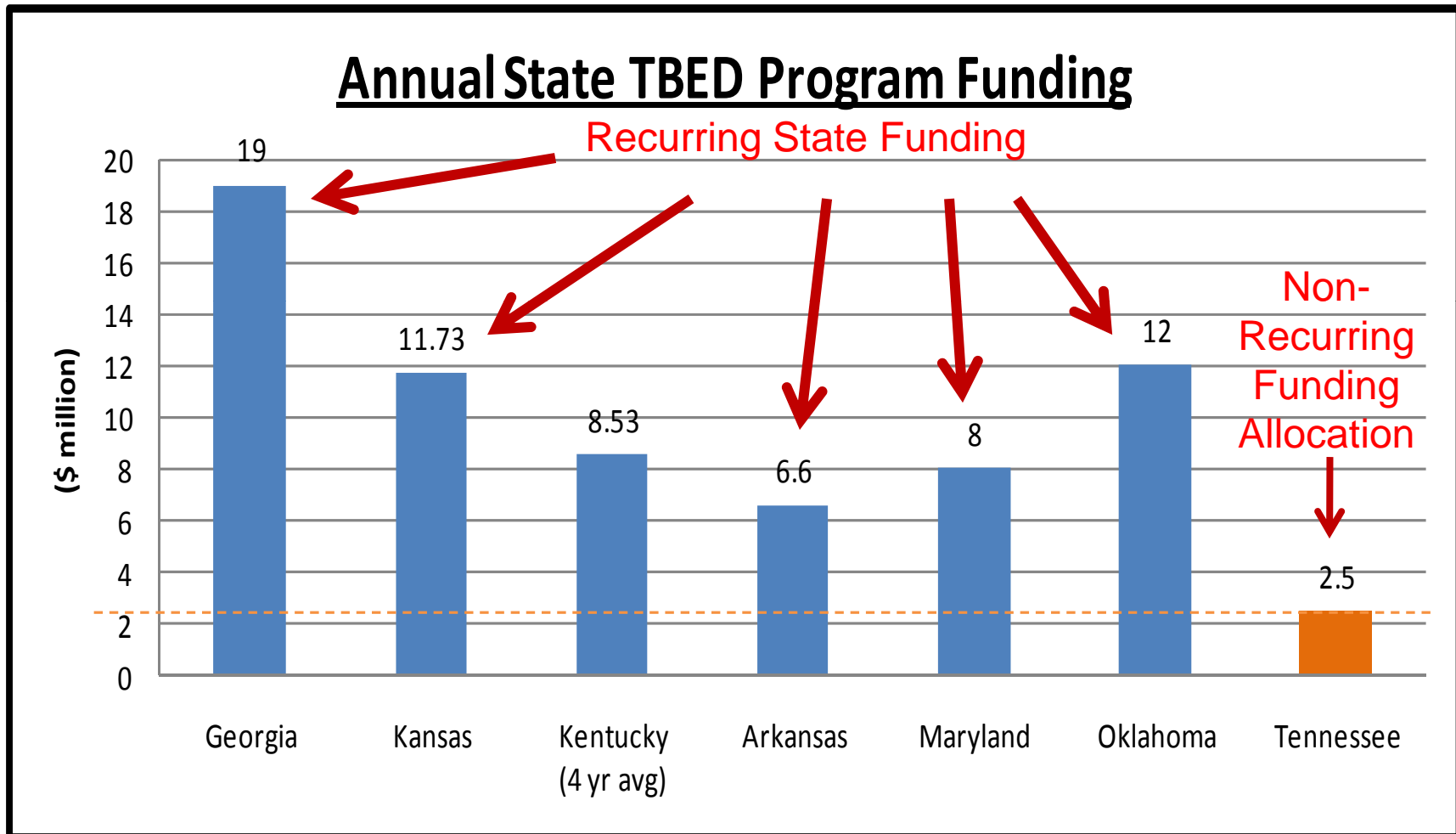
1. Business Recruitment and Expansion
2. Technology Based Economic Development (TBED)



**TTDC was chartered and funded by state government to be the state's lead entity for tech-based economic development.**

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# A Balanced Approach in Competing States



# Focused Initiatives for Critical Needs

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Focusing on innovation as Tennessee's economic driver to complement industry recruitment and expansion initiatives

<b>Purpose</b>	<b>Strengthen R&amp;D Capabilities</b>	<b>Support High-Potential Companies</b>	<b>Increase Access to Venture Capital</b>
<b>Authority</b>	Tennessee Strategic Research Board	Tennessee Enterprise Network	TN Capital Formation Board
<b>Initiatives</b>	<ul style="list-style-type: none"><li>• R&amp;D2020: Coordinated R&amp;D Funding Strategy</li><li>• SBIR/STTR Grants</li><li>• Proof of Concept/Tech Transfer Fund</li><li>• Research Super Stars</li></ul>	<ul style="list-style-type: none"><li>• Entrepreneurship education and outreach</li><li>• Business leaders and mentors network</li><li>• Statewide business plan competition</li><li>• Innovation Grants</li></ul>	<ul style="list-style-type: none"><li>• VC2020: Capital supply and accessibility study</li><li>• Innovation and capital formation conference</li><li>• Public policy guidance for capital formation programs</li></ul>

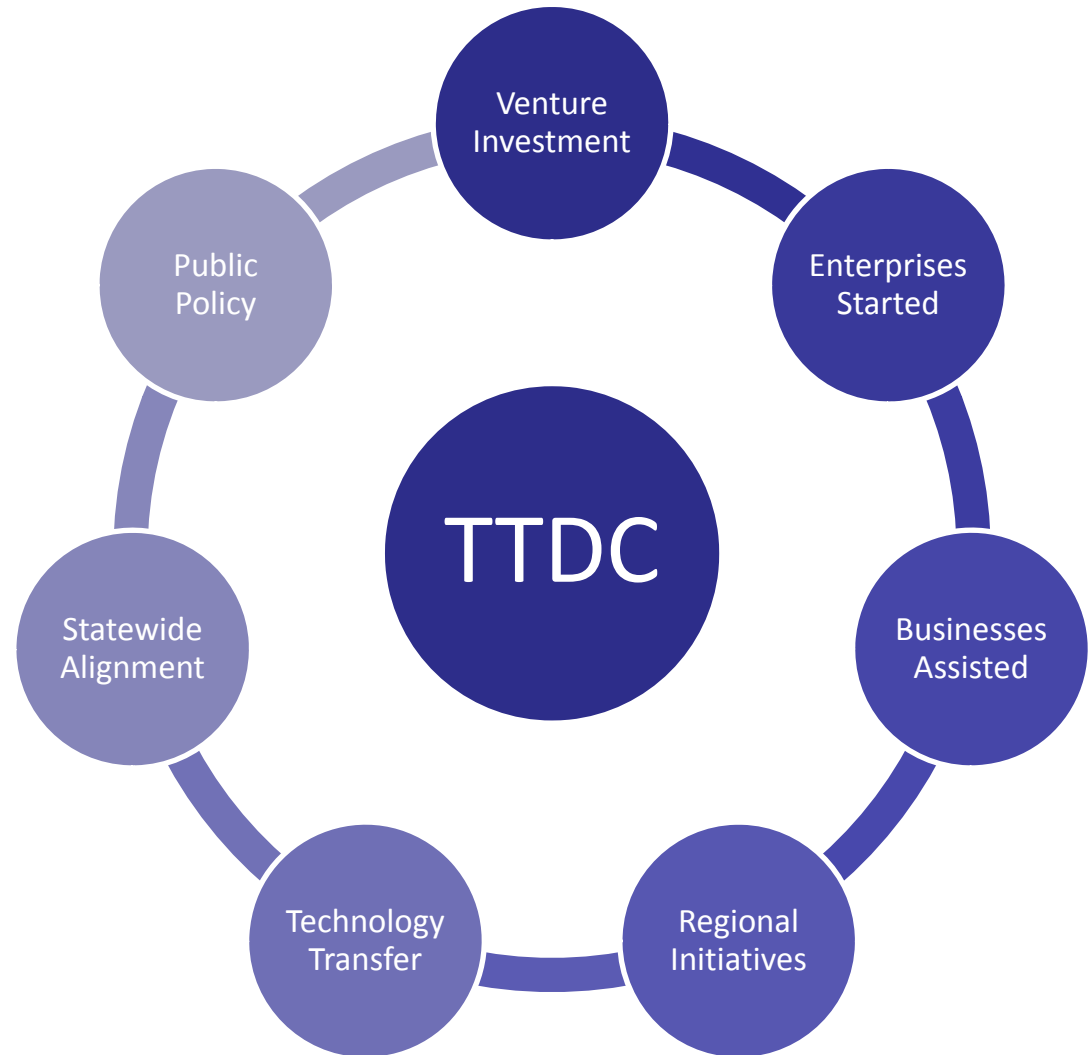
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# A Think-Tank, Convener, Aligner and Implementer...All in One

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TTDC is focused on high-wage job creation; however, TTDC works to improve the business climate in Tennessee that makes long-term job growth possible.

Leading economic indicators like venture capital investment, businesses incorporated, and technology patents and licenses issued will ultimately lead to job and wealth creation in TN.



## Keys to Program Success

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1. Establish and sustain credibility – “do good work”
  1. Focus on good program design
  2. Execute on implementation
2. Educate stakeholders and communicate effectively
3. Work with people who are appropriately motivated, capable and connected
4. Manage expectations and evaluate results
5. Capture the imagination of powerful leadership

For statewide alignment and optimal performance, TTDC needs direct engagement and support from the leadership of the executive and legislative branches – those responsible for funding economic development.

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# Innovation-Based Programs and Support Activities

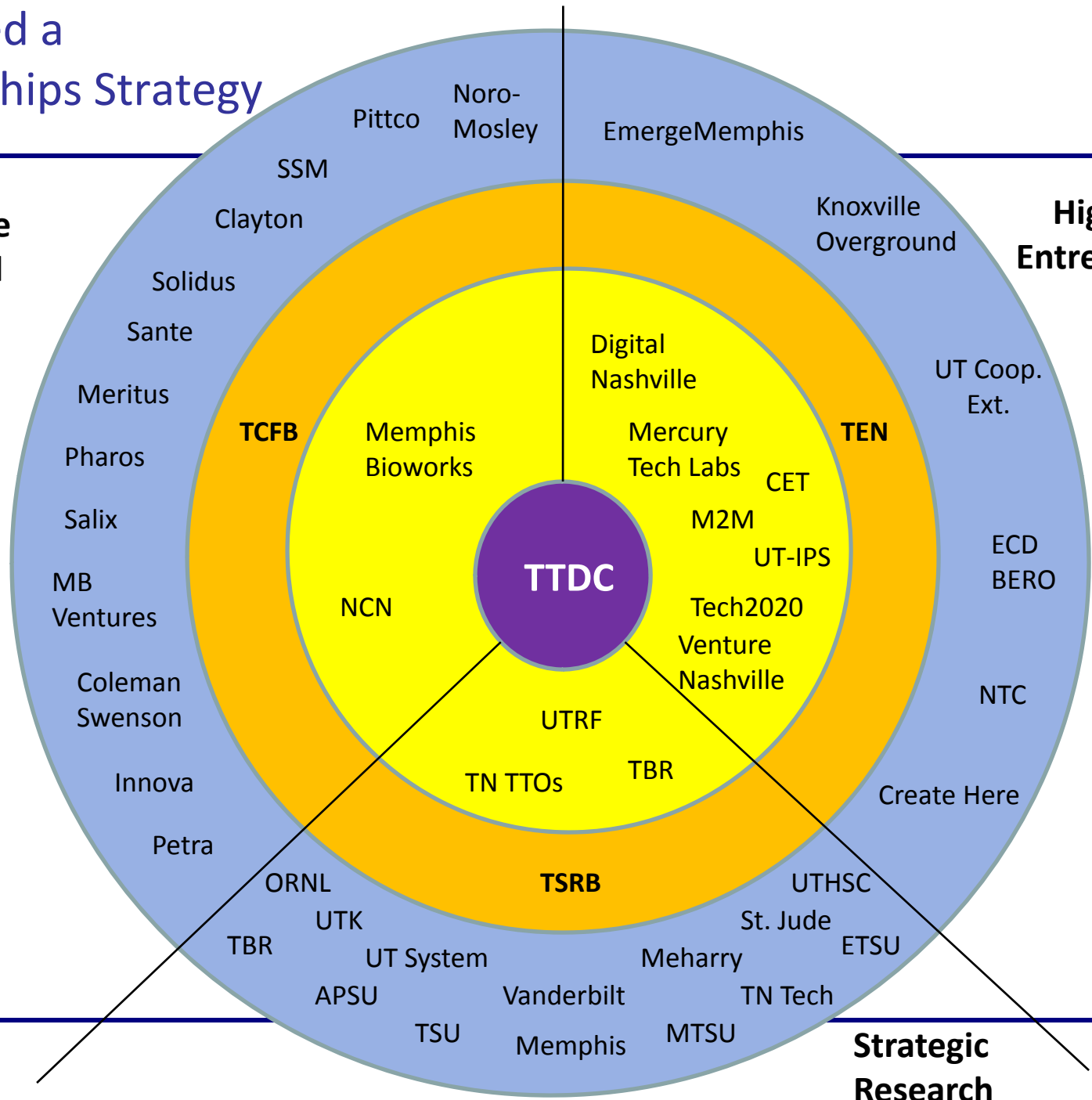
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- **Provided expert technical assistance** on design and implementation of TNInvestco Act – returning \$50,000,000 in value to taxpayers
  - **Funded nearly \$500,000 in commercialization grants** to bridge the “valley of death” in technology development by leveraging innovation infrastructure of state-based research institutions (UT, TBR, St. Jude, ORNL, Y-12)
  - **Funded entrepreneurial development** efforts (TECWorks/Bioworks, Mercury Tech labs, ESTU Innovation Lab) to establish sharable best practices for identifying and supporting innovation.
  - **Designed educational curriculum** with Tech2020/CEG for support system to assist high-potential entrepreneurs across Tennessee
  - **Engaged in strategic planning** for multiple regional development initiatives created to foster innovation and entrepreneurship.
  - **Successfully aligned regional organizations** to work within a systems approach for an integrated network of services for supporting business growth
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# Employed a Partnerships Strategy

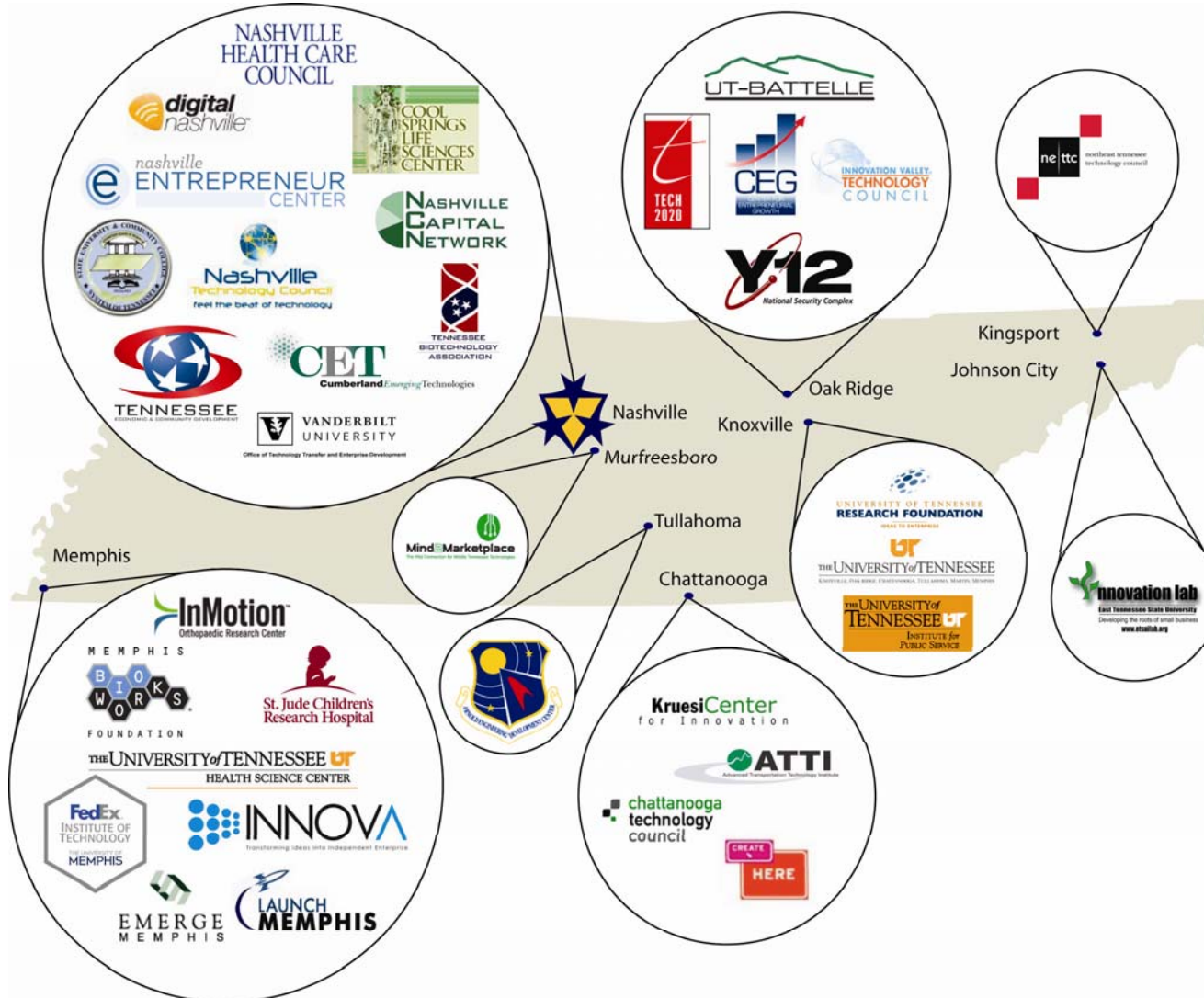
**Venture Capital**

**High Growth Entrepreneurship**



**Strategic Research**

# Connecting and Empowering Regional Performers



# Leadership: Board of Directors

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## Business, Government, and Academic Leaders From Across the State Working Together for Tennessee

- **Thomas Ballard\***  
Director,  
Partnerships Directorate  
Oak Ridge National  
Laboratory
- **Bruce Doeg\***  
Chair, Business Department  
Baker Donelson
- **William Evans^, Pharm.D.**  
Director and CEO  
St. Jude Children's Research  
Hospital
- **Craig Fitzhugh**  
Representative  
Tennessee State Legislature
- **Ron Feinbaum**  
Executive Vice President,  
Business Development  
Scripps Networks
- **James Frierson**  
Executive Director  
Advanced Transportation  
Technology Institute
- **Bill Haslam**  
Mayor  
City of Knoxville
- **Kenneth Holroyd, M.D., M.B.A.**  
Assistant Vice Chancellor,  
Research  
Vanderbilt University Medical  
Center
- **Kevin Humphries**  
Sr. Vice President, Technology  
FedEx
- **Matthew Kisber**  
Commissioner,  
Tennessee Department of  
Economic & Community  
Development
- **Mark Maddox**  
Representative  
Tennessee State Legislature
- **Dan Marcum\***  
Managing Partner  
Marcum Capital
- **Randy McNally**  
Senator  
Tennessee State Legislature
- **Ted Nelson\***  
Chairman  
ThermaMasters, Inc.
- **Mike Niederhauser**  
Owner  
MN Rental
- **James Phillips\***  
CEO  
Pinnacle Enterprises
- **Andrew Seamons**  
Managing Partner  
Pittco Capital Partners
- **Paula Short, Ph.D.**  
Vice Chancellor, Academic  
Affairs  
Tennessee Board of Regents
- **Paul E. Stanton, Jr., M.D.**  
President  
East Tenn. State University
- **Ron Washington**  
Councilmember  
Murfreesboro City Council
- **Leslie A. Wisner-Lynch,  
D.D.S., D.M.Sc.**  
Executive Director  
BioTN Foundation
- **J. Stewart Witzeman, Ph.D.**  
Director, Research Division  
Eastman Chemical Company

^ Board Chairman

\*Executive Committee Member

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# Leadership Capital: Tennessee Capital Formation Board (TCFB)

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The **Tennessee Capital Formation Board** (TCFB) is an expert advisory group that includes influential risk capital investment firms and fund managers in strategic planning for capital formation initiatives. TCFB advises on strategies that increase the supply and accessibility of risk capital investment for high-potential growth businesses in Tennessee.

- **Michael Blackburn**  
Managing Partner  
Petra Capital Partners
- **Michael Devlin**  
Co-Founder & Managing Partner  
Pharos Capital Group
- **Townes Duncan**  
President  
Solidus
- **Bruce Doeg\***  
Chair, Business Department  
Baker Donelson
- **Kathy Harris**  
Partner  
Noro Moseley Partners
- **Chris Kyriopoulos**  
Co-Founder & Principal  
Compound Funds
- **Dan Marcum\***  
Managing Partner  
Marcum Capital
- **James Phillips\***  
Chairman & CEO  
Pinnacle Enterprises
- **Andrew Seamons\*^**  
Managing Partner  
Pittco Capital Partners
- **Gary Stevenson**  
Managing Partner  
MB Venture Partners
- **Grady Vanderhoofven**  
Fund Manager  
Meritus Ventures
- **Casey West**  
General Partner  
SSM Partners
- **Tom Wylly**  
Senior Partner  
Brentwood Capital Advisors

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\*TTDC Board Member

^ Board Chairman

# Leadership Capital: Tennessee Strategic Research Board (TSRB)

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The **Tennessee Strategic Research Board (TSRB)** serves as the statewide advocacy and advisory group for strategic research. The primary functions of TSRB are to carry out strategic planning, advocate for research, oversee the Tennessee EPSCoR program and assist in improving technology transfer issues in the state of Tennessee.

- **Dr. James Downing**  
Scientific Director  
St. Jude Children's Research Hospital
- **James Frierson \***  
Executive Director  
Advanced Transportation  
Technology Institute
- **Dr. Dennis Hall**  
Associate Provost for Research &  
Dean of the Graduate School  
Vanderbilt University
- **Kenneth Holroyd\*, M.D., M.B.A.**  
Assistant Vice Chancellor, Research  
Vanderbilt University Medical Center
- **Dr. David Millhorn**  
Executive Vice President, Research  
and Economic Development  
The University of Tennessee
- **Dr. James Roberto**  
Deputy Director for Science  
and Technology  
Oak Ridge National Lab
- **Dr. Paula Short**  
Vice Chancellor for  
Academic Affairs  
Tennessee Board of Regents
- **Dr. Leslie A. Wisner-Lynch\***  
Executive Director  
BioTN Foundation
- **Dr. J. Stewart Witzeman\***  
Director, Research Division  
Eastman Chemical Company
- **Eminent Scholar**  
TBD
- **Rising Star Scholar**  
TBD

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\*TTDC Board Member

## Summary

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- State governments have a lead role in technology-based economic development (TBED) policies and programs.
  - Without a balanced portfolio of development strategies in place, Tennessee will underperform relative to opportunity.
  - New strategies are needed for Tennessee to compete globally in the knowledge economy and create 21<sup>st</sup> century jobs. Public-Private partnerships can deliver market-based solutions.
  - REQUEST – give TTDC, our partners and stakeholders the chance to demonstrate the value and efficiency of innovation-based development strategies. Join us in this important work and provide continuity funding in this economic downturn.
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**BRIGHT IDEAS, BRIGHTER FUTURE.**

A catalyst for innovation and economic growth. **Now that's brilliant!**

Tennessee Technology Development Corp.

[www.tntechnology.org](http://www.tntechnology.org)

615-673-4419

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The project is funded by an agreement with the state of Tennessee.

