



Statement of Connecticut Innovations Regarding S.B. 1171 An Act Concerning Technology Transfers; S.B. 1172 An Act Concerning the Recommendations of the Connecticut Technology Council; S.B. 1174 An Act Concerning the Establishment of the Connecticut Innovations Factory Board; and H.B. 6582 An Act Concerning Expanding the State's Solar Energy Economy

Good Morning Senator LeBeau, Representative Berger and members of the Commerce Committee. I am Peter Longo, president and executive director of Connecticut Innovations. Your agenda today has on it several bills that seek to enhance Connecticut's all important technology sector and improve the economic climate in which we strive to create new technology ventures and ultimately jobs. As the technology environment continues to become more and more competitive, Connecticut will have to continue its tradition of innovation in order to effectively compete. Today's bills provide us with the tools to be more effective.

S.B. 1171 An Act Concerning Technology Transfers

Creates the Higher Education Technology Transfer Policy Board to assist UCONN and other private sector universities improve the rate at which technology is transferred from the university into a commercial setting. Connecticut lags behind other states when it comes to commercializing academic research. As the State's venture capital arm, CI is interested in improving the rate at which technology is transferred. Over the last several years we have had many good opportunities to fund such ventures coming out of private universities both in and out of state. Creation of this new board will allow for a careful examination of ways Connecticut can improve in this area and CI is ready to assist in any way it can.

S.B. 1172 An Act Concerning the Recommendations of the Connecticut Technology Council

Section 2 of this bill creates a virtual incubator program and a Virtual Business Incubator Advisory Board. There already exists in Connecticut an association of business incubators that is very effective. In 2008 CI launched its CTech business incubator in New Haven. Since then, we had to expand our space in New Haven to accommodate demand, collaborated with the University of Bridgeport to open a CTech facility on the UB campus and partnered with UConn to provide incubator space at the UConn Health Center in Farmington. We recently began the process of launching a virtual CTech incubator facility because demand has, once again, outstripped supply.

As you all know, businesses across the state often complain about the fractured delivery of economic development services. Creating a new and separate Virtual Business Incubator Advisory Board may perpetuate this complaint.

With regard to the “side-car” grant program created in Section 4, I have two concerns. First, the bill creates a program of matching grants for companies receiving angel investments. CI’s expertise stems from its investment activities. For the most part, CI does not make grants, we invest in companies. It seems that this program may be misplaced. Secondly, CI currently works closely with angel investors. Through our pre-seed and seed funds we regularly co-invest with angel investors. In fact, many angel investors in Connecticut rely on CI’s due diligence process when considering investment opportunities. I’m not certain there’s a need for a new program to encourage this activity. It’s already occurring.

S.B. 1174 An Act Concerning the Establishment of the Connecticut Innovations Factory Board

This bill creates a board to develop ways to support student mentoring programs and encourage students to create new technology ventures in Connecticut. This is a hugely important goal for the State. Not only does it support company formation but it will help stop the “brain drain” that has been taking place over the last decade or more. My only concern is with the name of the board. The names Connecticut Innovations and Connecticut Innovations Incorporated are registered for use with the United States Patent and Trademark Office. I believe that the name Connecticut Innovations Factory Board may present an improper use of the CI Service Mark.

H.B. 6582 An Act Concerning Expanding the State’s Solar Energy Economy

As you may know CI administers the Connecticut Clean Energy Fund on behalf of the State. In 2005 CCEF launched a residential solar PV program and in 2008 it launched CT Solar Lease. Through these two programs, CCEF has funded 1798 solar PV installations. Through its on-site distributed generation program for commercial customers, CCEF has funded 190 solar installations. As a result of these programs, fifty-one solar installation companies, employing over 200 people, have been created in Connecticut since 2005.

Based on CCEF’s expertise, I would request that the DECD consult with CCEF when creating the program called for in this bill.

