

## Executive Summary

December 2002

**“Oregon’s future depends on a commitment to a bold strategy that will achieve long-term, sustainable economic growth, create quality jobs and compete in a global economy.”**

It was with this charge that the Oregon Council on Knowledge and Economic Development (OCKED) developed a comprehensive set of strategies to enhance Oregon’s economic competitiveness in a knowledge-based, global economy. The official report, *Renewing Oregon’s Economy: Growing Jobs and Industries Through Innovation*, was presented to the Governor and the 2003 Legislature in late 2002, outlining economic development policies and funding recommendations.

The bottom line is that new ideas and innovation are the economic drivers of the 21<sup>st</sup> Century. Industries and regions that invest in the development and application of technology will lead the creation of jobs and be more competitive and profitable. With *more than 90 percent of technology jobs found in industries outside of high tech*, innovation and knowledge workers are just as critical to banks, retail stores, tree nurseries and hospitals as to software companies and semiconductor plants. Because of this, the state needs a strategy to foster the development and use of technology across the broad spectrum of industries and businesses – from the eastern borders of the state to the Pacific coastline – so that we can support economic development and continue to create and sustain jobs for all Oregonians.

The Council believes that innovative ideas are essential to keeping Oregon competitive. OCKED’s recommendations recognize the shift in economic development, towards a focus on developing, retaining and attracting people who will lead the next generation of businesses, and whose ideas can be turned into globally competitive products and services.

In summary, this report describes the Council’s efforts and recommendations in three areas considered critical to building an economy that creates quality job growth and economic development throughout Oregon:

1. **Research and technology transfer:** enhance the capacity for focused research and development – through the creation of Signature Research Centers – that translate research into commercial applications, and increase the economic benefit of research through technology transfer efforts between universities and industry;
2. **Capital and business formation:** increase the amount of pre-seed, seed and institutional venture capital available to emerging businesses, especially in the technology and bioscience sectors, and develop programs and incentives to deepen management expertise and attract and retain top management talent;
3. **Workforce development:** ensure that Oregon’s existing workforce has the skills needed for today’s knowledge-based economy; increase our higher education capacity and national ranking in science, engineering, information technology and business management; and promote knowledge-based skills early and consistently throughout our K-12 education system.

OCKED’s proposals emphasize investments that generate high rates of return and will multiply the initial investment several fold over the next decade. The Council’s recommendations include a \$35 million request in new initiatives from the general fund in the 2003-05 biennium – less than one percent of total state spending – which will spur new investment, new jobs and new businesses in Oregon for years to come.

OCKED is a collaborative effort among Oregon’s public and private higher education institutions, economic development department, and the private sector that was established under Senate Bill 273 by the 2001 Oregon Legislature. Its mission is to promote knowledge-based economic development in the state by focusing specifically on ways to increase high-quality research and development; developing successful private-public models for intellectual property and profit sharing; increasing technology and knowledge transfer; providing sufficient capital for investment in and commercialization of technology developed by higher education; and promoting the development of a technologically skilled workforce.