

Reinventing Communities

Rebecca Bagley discusses the role that colleges and universities can play in technology-based economic and community development

As deputy secretary for Technology Investment for the Department of Community and Economic Development (DCED), Rebecca Bagley oversees \$81 million in appropriations and more than \$1.1 billion in investments for the Commonwealth of Pennsylvania. Her previous experiences as DCED's venture investment director and as an investment banker in New York are helping her guide initiatives of the Technology Investment Office, including the Keystone Innovation Zones, two new venture capital programs—the PA Venture Guarantee Program and the PA Venture Capital Investment Program—the Ben Franklin Technology Development Authority, the Life Sciences Greenhouses and Industrial Resource Centers. Penn State is actively involved in many of these programs. Bagley talked with Penn State Outreach magazine about these initiatives and how colleges and universities can partner with their communities to encourage technological innovation and job creation.

Q: At the recent economic summit presented by DCED in partnership with Penn State ["Creating Pennsylvania's Future," see the inside back cover], you addressed your office's initiatives and resources available to Pennsylvania companies. How will universities play a role?

Bagley: The theme of the conference was universities and their role as drivers of economic and community development. In the past, universities may have looked at themselves as simply educators of young people and conductors of basic research. Today, however, their role is broadening. They are partnering more with their communities, and we are encouraging this development.

Q: What role do manufacturing and heavy industries have now in Pennsylvania's economy?

Bagley: Manufacturing and heavy industries are important assets as we build our innovation economy. We fund Industrial Resource Centers (IRCs) that assist manufacturers in integrating innovation into their processes and in increasing jobs. We are seeing a definite merging of our existing key industries—manufacturing and agriculture—with technology. Our



Dick Ackley—Campus Photography

Rebecca Bagley heads Pennsylvania's technology-related investments.

challenge is making sure we build on what we already have as we create technology-based economic development and innovation.

Q: What are examples of ways universities can help?

Bagley: Universities are helping commercialize technologies and reinvent communities. For example, Penn State is doing a lot for existing tech-oriented businesses through its resources. Penn State works closely with our office's Ben Franklin Technology Partners, which has four centers across the state—one based at Penn State's University Park campus—focused on entrepreneurial development and technological innovation. For existing companies, the centers provide funding for process or product improvement projects; for start-up companies, the centers support development of a promising technology into a working prototype. The centers also help

commercialize plastics, nanotechnology and other technologies. In addition, Penn State's Nanotechnology Facility works with companies to solve their nanotechnology challenges. The University can increase its impact by marketing its resources more broadly, so more companies know what it has to offer.

Q: What is DCED doing to encourage the creation of technology-oriented businesses?

Bagley: Under the guidance and direction of Gov. [Ed] Rendell, one of our leading programs is the Keystone Innovation Zones (KIZ) program, which supports universities and regional organizations cooperating to build new companies. KIZs create "knowledge neighborhoods" close to universities. This keeps new graduates in the area, stemming "brain drain," and encourages university-community partnerships for developing technology

incubators. KIZs also can help universities take their research to the next level—commercialization. Penn State is partnering in many KIZs around the state.

Q: What's next?

Bagley: We are preparing a document that will highlight ways to enhance collaboration and economic and community development already under way. KIZ coordinators meet biannually to discuss ideas about developing a statewide network that will make it easier for universities and communities to leverage their resources. We also will be bringing together chief executive officers of our Innovation Partnership that includes the Small Business Development Centers, Life Sciences Greenhouses, IRCs, Ben Franklin Partners and Innovation Philadelphia to discuss ways to continue to build on Pennsylvania's economic and community development efforts. ▀

Higher Education in Pennsylvania

The Brookings Institution recently released a report, "Higher Education in Pennsylvania," stating that universities are key to Pennsylvania's success. "We are taking a hard look at the report's recommendations and holding discussions with key stakeholders," said Rebecca Bagley, deputy secretary for the Department of Community and Economic Development's Technology Investment Office. Here are the report's recommendations:

- The governor should create a higher-education advisory board, which would include representatives of the primary higher-education organizations in the state and leaders from specific educational institutions, as well as from local community organizations.
- State investments should be targeted near colleges and universities to encourage university-community partnerships.
- Pennsylvania should establish a grant program to help colleges and universities get involved in neighborhood reinvestment strategies.
- The state should award grants to municipalities with colleges and universities to help offset revenue losses incurred from these schools' tax-exempt status. Connecticut has such a program.