



Wright Mega-centers of Innovation Request For Information (RFI)

**Released by the
Ohio Department of Development
Technology Division**

March 20, 2005

INTRODUCTION

It is proposed that the Third Frontier Project offer a new class of large-scale Wright Centers of Innovation or Mega-centers. These centers would be funded at a level of \$50-60 million for a five-year period. Contrasted with the current Wright Centers of Innovation, the new offering would not only provide increased funding per project but also provide primarily **operating support** vs. funding for capital acquisitions. With this type of funding, a priority interest of the state would be in building the breadth and depth of talent, including the recruitment of eminent and entrepreneurial researchers from outside Ohio, to support one or more specifically defined technology platforms.

Our first step is to assess the interest and types of opportunities we might expect in response to such a solicitation and to invite comments that will help us to craft the actual Request For Proposals (RFP). Should it be decided that an RFP for Wright Mega-centers of Innovation (WMI) will be released, an aggressive schedule will be pursued that would result in awards before the end of calendar year 2006. Therefore, your complete, thoughtful, and timely response to this information request is critical, and planning to respond to a possible RFP in early summer is essential.

*****THIS REQUEST FOR INFORMATION IS NOT A FORMAL LETTER OF INTENT AND NOT A MANDATORY STEP TO BE ELIGIBLE TO SUBMIT A FUTURE PROPOSAL. HOWEVER, THE INFORMATION RECEIVED WILL INFLUENCE THE DECISION TO OFFER THIS PROGRAM AT ALL AND COULD CONTRIBUTE TO THE STRUCTURE AND REQUIREMENTS OF THE RFP FOR THIS PROPOSED PROGRAM SHOULD IT BE RELEASED*****

PROPOSED PROGRAM

The Wright Mega-centers of Innovation program has the following objectives:

- Establish an activity that will clearly define Ohio as an international leader in research and commercialization for one or more technology platforms.
- Represent a “game-changing” concept that has not been possible to pursue heretofore because of resource limitations.
- Support an effort that will have a substantial, measurable, and sustainable impact on the state’s economy, including job and company creation, and company growth and attraction.
- Have strategic priority at the highest levels of your institution, those of your collaborators, and with economic development leadership in one or more regions of the State. As a priority, it would be expected that there would be an influence on attracting the best talent within the involved organizations and on future resource allocation and hiring that may support the technical and commercial focus of the center.
- Become both a short- and long-term asset for the attraction of world-class talent, research activities, and commercial ventures.
- Attract substantially higher levels of resource commitments from your organization and from private, federal, foundation or other sources relative to current expectations or experiences with such centers of excellence. A target expectation is for the center to obtain combined state and other resources in the amount of \$150 to \$180 million over the 5-year project period.

These objectives are designed to ensure that each WMI conducts research that will ultimately result in technologies that successfully move through the commercialization process. Additionally, each WMI must demonstrate its ability to sustain itself without further State funding through its proposed business model. The business model proposed must reflect the goal of building and sustaining an internationally recognized center of expertise. The business model may combine various methods for securing future operating and capital requirements for the WMI such as winning federal grants, selling industry sponsored research and development, achieving commercial product development, license fees, equity in partner companies, and performing testing and other fee for services.

Wright Mega-centers of Innovation are intended to be “large-scale” projects that will allow scientists and engineers to tackle complex research issues that cannot be addressed by a single investigator or institution. Evidence must be given that the proposed center has been benchmarked against the national and international leaders in the chosen fields and that the proposed center will be competitive with the best in class. The proposals

must not consist of a group of independent research projects. Rather, the center must establish a seamless connection between multiple organizational efforts to facilitate collaborative research that can lead to the creation of globally competitive products and services.

The center concept must address how it will organize, access and deliver critical assistance that accelerates the pace of commercialization, including product design and engineering, testing and demonstration, use of specialized facilities, acquisition of early-stage capital, recruitment of technical and management talent, and professional support such as marketing and business planning.

Existing facilities, equipment, and programs supported by the State of Ohio and others within Ohio must be appropriately integrated into the center's structure and activities, rather than creating redundant or duplicative new capacities. Specific attention must be given to existing major science and technology programs and activities funded by the State of Ohio.

Funding will be provided in an amount between \$50 and \$60 million for a period of up to 5 years. At least 25% of the funding requested must be from the Wright Capital Fund. The remainder of the funding would come from the Third Frontier Research and Commercialization Fund to support expenses that are non-capital in nature. Cost share must be committed at a level of at least two dollars of non-state funding for every dollar of state funding awarded by the end of the project period. Cash commitments are expected to be a component of the cost share and will be given added weight in the evaluation of cost share quality. It is also expected that the center will be structured to attain a combined cost share and leverage ratio of at least three dollars for every dollar of state funds awarded by the end of the project period.

ODOD anticipates that each proposal will involve meaningful collaborations among multiple organizations. The Lead organization can be an:

1. Ohio university or a nonprofit corporation with a federal tax identification number that is based in Ohio or has a principal place of business in Ohio. A nonprofit organization must have a formal collaboration with an Ohio state-supported or state-assisted institution of higher education. At least one of the collaborators must be an Ohio-based for-profit company, or an out-of-state company committed to establishing a principal place of business in Ohio as a result of their collaboration with the center.
2. Ohio-based for profit company. In this case, special arrangements would have to be made for the award of the Wright Capital Fund component of the WMI support to a specifically named university or non-profit collaborator eligible to receive these funds. By statute, Wright Capital Funds cannot be awarded to a for-profit, nor can the capital assets purchased with these funds reside with a for-profit.

An existing Wright Center of Innovation or collaboration involving multiple Wright Centers are also eligible to apply for a WMI.

Applicants will be expected to commit significant state support and cost share to the recruitment from outside Ohio of talent with international prominence in disciplines that will contribute to the technical and commercialization excellence of the center, including eminent and entrepreneurial researchers.

REQUESTED INFORMATION

*****RESPONDENTS TO THIS RFI THAT DO NOT HAVE A SPECIFIC CONCEPT FOR A WRIGHT MEGA-CENTER OF INNOVATION MAY SKIP SECTION 2 AND LIMIT THEIR COMMENTS TO THE GENERAL CONSIDERATIONS QUESTIONS POSED IN SECTION 1*****

Section 1: General Considerations

1. Is the magnitude and type of funding from the Third Frontier Project appropriate to achieve the stated objectives for this program? If not, please provide an explanation of the limitations and what would be required to overcome them.
2. What should be considered to strengthen the concept of the Wright Mega-Centers of Innovation as presented and to enhance the quality of proposals received?
3. Are you aware of initiatives in other states with similar objectives to the proposed Wright Mega-centers of Innovation that may serve as a model or have elements that should be considered for incorporation into the WMI concept?
4. Are there any major issues with the WMI concept as presented?

Section 2: Center Concept

Please provide concise responses, including key factual information, which will communicate the essence of your center concept. Lengthy descriptions of research programs and biographical information are not required.

In the context of the program objectives and structure provided above, please describe a specific opportunity that your organization would propose for a Wright Mega-center of Innovation addressing the following information:

1. Provide a vision statement for the center.
2. Describe the technology platform(s) that will be the focus of the center.
3. Describe the Ohio strengths—not just in one region—that justify building a major center around the technology platform(s) identified:
 - Is it a significant source of competitive differentiation that provides a unique signature for the State?
 - Is it hard for competitors to imitate?

- Is it relevant to a significant base of existing businesses?
 - Does it have potential to support the creation of new businesses?
 - Does it have the potential to attract new to Ohio business activity?
 - Is the economic development potential sufficiently large to have a meaningful impact on the State’s economy?
4. Describe the major economic development opportunities that are expected to be leveraged with the center and how they would justify a state investment of the magnitude offered.
 5. Identify potential major collaborators in the center.
 6. Provide specific evidence of private sector interest in the center concept.
 7. Describe the types of talent you would expect to recruit to the state to build the capabilities of the center.
 8. Describe how the center would fit with the economic development priorities of one or more regions of the State.
 9. Describe the expected commitments of resources by key collaborators to create the center.
 10. Describe the expected leverage opportunity in terms of attracting long-term federal, private sector or other sources of sustained funding for the center.

SUBMISSION INSTRUCTIONS

1. The response should not exceed **15 pages** in length.
2. The document should include a cover page with the name, title, organization affiliation and contact information for the individual responding to the RFI.
3. The submission should not include any information that qualifies as a Trade Secret. To determine what qualifies as Trade Secret Information, please refer to the definition in the Ohio Revised Code Section 1333.61(D):

(D) “Trade Secret” means information, including the whole or any portion or phase of any scientific or technical information, design, process, procedure, formula, pattern, compilation, program, device, method, technique or improvement, or any business information or plans, financial information or listing of names, addresses, or telephone numbers, that satisfies both of the following:

- (1) It derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use.
- (2) It is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

4. The only acceptable form of submission is an electronic copy of a PDF or WORD compatible file submitted to the following address: megacenterrfi@odod.state.oh.us.
5. THE DOCUMENT MUST BE RECEIVED BY **5:00 p.m. EST on April 18, 2006.**
6. Any questions regarding this RFI may be directed to:

Norman L. Chagnon, Ph.D.
Staff Director, Third Frontier Commission
Technology Division, Ohio Department of Development
614-466-5888
nchagnon@odod.state.oh.us