

CATALYST CONNECTION T-RIC Initiative

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President and CEO



Regional Innovation Cluster Consortium for Technology Acceleration (T-RIC)

T-RIC Objective

Develop a Regional Innovation Cluster Consortium Model for Technology Acceleration that works together to facilitate technology transfer and product commercialization within its regional small and medium sized manufacturers (SMEs).



T-RIC Mission and Vision

Mission

It is the mission of the T-RIC Consortium to improve the competitiveness of SMEs in southwestern Pennsylvania and increase their success rates in developing and commercializing new technology. We will do this by: 1) increasing the connections between regional SMEs and university and federal laboratories, 2) developing the tools and processes to accelerate technology development and 3) providing the training and assistance to successfully commercialize new technologies and products.

Vision

To create a model for technology acceleration that improves the competitiveness of American SMEs, and inspires them to develop and commercialize new products and services.



Regional Innovation Cluster: "The State of Our Region"

Manufacturing in Pennsylvania: Fast Facts

Gross State Product and Productivity					
1st	largest Industry In Pennsylvania in terms of Contribution to Gross State Product (\$71 billion). From 2010 to 2011, manufacturing GSP saw an increase of	6.6%%			
\$125,653	Gross State Product per manufacturing employee. Although trailing the US, this is still an increase from 2010 of	5.8%			

Manufacturing Employment and Compensation					
564,716	manufacturing employees in Pennsylvania in 2011. This accounts for 10% of the total workforce and is an increase from 2010 of	0.8%			
\$55,243	Average Annual Compensation in 2011. The average annual wages is higher than the average Pennsylvania job by	17%			

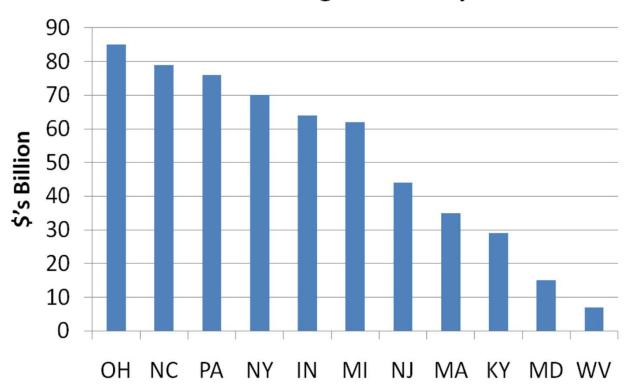
	Manufacturing Patents and Exports					
60%	of the 16,054 patents issued between 2001 and 2010 to Pennsylvania companies, were assigned to manufacturing. The total number of patents was (Source: Pennsylvania's True Commonwealth – The State of Manufacturing: Challenges and Opportunities, Released February 2011)	9,577				
41.0	billion in total exports. Among all states, Pennsylvania ranks	10th				

Source (unless otherwise noted): Pennsylvania Manufacturing Scorecard 2012, Pittsburgh Regional Alliance and IRC Network, Released September 2012



Comparison to Peer States

Gross Manufacturing Product by State



Note: Overall Pennsylvania is the sixth largest manufacturing state in the U.S.



Manufacturing in Southwestern Pennsylvania: Fast Facts

- Third largest industry, 12.8% growth in 2010
- 95,568 employees, a 1.7% increase in 2011
- \$56K in wage, 4.5% higher than average job
- 29% of all PA exports, even though we have
 19% of state's population
- 46 announced manufacturing expansions expected to generate 1,957 jobs



The Region That we Serve





Manufacturing is Still Critical to Our Economy



9



We have a Recognized Energy Cluster





We Have a Strong University Presence

- Regional University Alliance Dr. Christina Gabriel – Executive Director
 - University of Pittsburgh
 - Carnegie Mellon University
 - Penn State University
 - West Virginia University
 - Virginia Tech
- Additional University Partners
 - Robert Morris University
 - Duquesne University
 - St Francis University



Large Corporations are Located in SW PA





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Regional Innovation Cluster: The Role of Catalyst Connection

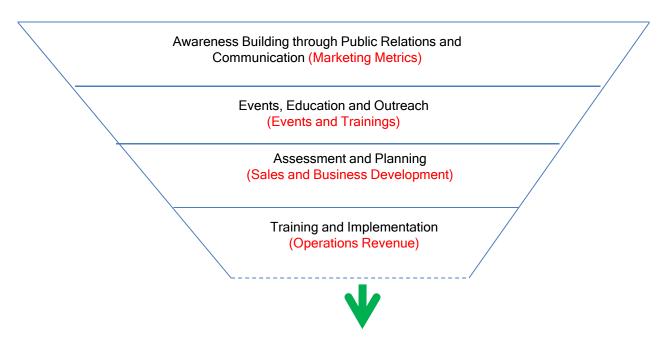
Introduction – Catalyst Connection

Our Mission:

We help manufacturers compete in a global economy, grow their business and create jobs.



Our Business Model



Sales, Cost Savings, Investments and Jobs New tax revenue!



Strategic Partnership Services

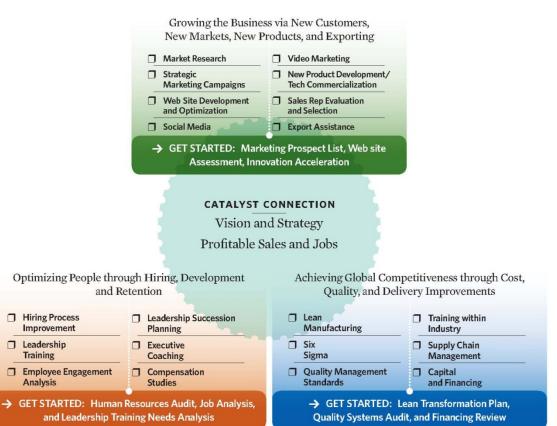
☐ Hiring Process

☐ Leadership

Training

Analysis

Improvement





Catalyst Connection: Regional Initiatives

- PREP: Partnerships for Regional Economic Performance (PREP)
- T-RIC: Technology Acceleration Regional Innovation Consortium
- M-RIC: Marcellus Shale Regional Innovation Consortium
- College Internships
- Adventures in Technology





Regional Innovation Cluster: How It Works

T-RIC Initiative Tasks

- Task 1: Establish a Regional Innovation Cluster (RIC)Consortium
 - NDAs/SOW agreements
 - Business process
 - Team Meetings / project reviews
- Task 2: Develop an Energy Forum
 - Introductory event between technologists and manufacturers
 - Support for commercialization
- Task 3: Develop Technology Acceleration Tool Set & Training Materials
 - Focus on New product development process and supporting tools



T-RIC Initiative Tasks

- Task 4: Conduct 3-5 Energy Technology Innovation Pilots
 - Pilots in process
- Task 5: Measure Technology Acceleration Success
 - MEP Impact process
 - Key performance indicators
- Task 6: Documentation and Lessons Learned
 - Documentation of tools and activities
 - Seeking "early adopters"



Task 1: Establish a T-RIC Consortium

The Consortium consists of:

- Catalyst Connection
- University of Pittsburgh
- National Energy Technology Laboratory (NETL)
- Innovation Works
- Advanced Manufacturing Technology Ventures, LLC (AMTV)



Task 1: How It Works

- Company's submit innovation ideas to the T-RIC Consortium
- Consortium members offer feedback, advice and guidance
- T-RIC resources are applied to projects that are approved by Consortium
- A 4 Step Innovation Process is utilized to improve time to product commercialization and reduce risk



Task 1: Targeted Companies: "INNOVATION Means COMPANIES Make More Money \$"



Georgia Tech 2010



Task 2: Host Energy and Innovation Conference





Task 3: Develop Technology Acceleration Tool Set & Training Materials

- Focus on new product development process and supporting tools
 - Innovation Engineering
 - Lean Product Development
 - Product Development Management Association (PDMA) training and certification
- RFQ for Additional Training



Task 4: Pilot Projects: "All Work is a Process"



Any process can be redesigned to be faster & more effective



Task 4: Pilot Projects: Using A 4 Step Process for **Innovation to Decrease Risk and Increase Speed**

Define the Product Concept

Discover the **Product Potential**

Development, Testing & Planning

Production and Commercialization

Completes Product Concept Form

Complete Preliminary Business Case

TRIC reviews the inputs and provides recommendations for next steps

Validate Market

Assess technical feasibility

Identify technology partner

Complete business case, including target cost, sales projection, budget and action plan

Design the product / develop technology

Develop prototype

Validate accuracy of target product cost

Conduct alpha / beta testing

Develop BOM & production process

Develop launch strategy & action plan

Develop sales tools & marketing materials

Deliverable: Working Prototype and **Customer Orders**

Train sales force

Execute launch marketing Plan

Initiate procurement & production activities

Monitor results against Launch Plan and metrics

Deliverable: TRIC Feedback to Client with Next Steps . Costs and **Funding Options**

Deliverable: Scope of **Work for Development** and Funding Options; List of Potential Customers

Deliverable: Products and Sales (Min of \$1m over 3 years)





Task 4: Pilot Projects - Deliverables

Innovation Step	Deliverable From Each Step		
Step 1: Opportunity Identification	A <u>defined innovation concept</u> , with a written description of the innovation, including its primary features and benefits as well as a broad understanding of the resource require to make it a reality.		
Step 2: Opportunity Selection	A <u>solid business case and business plan</u> for the project, including strategic, customer, market, technical and financial analyses.		
Step 3: Development & Testing	A <u>working prototype</u> of the product or service, with performance characteristics verified by users.		
Step 4: Production & Commercialization	Finished products or services, with established pricing; marketing plan; distribution system; and customer support services.		

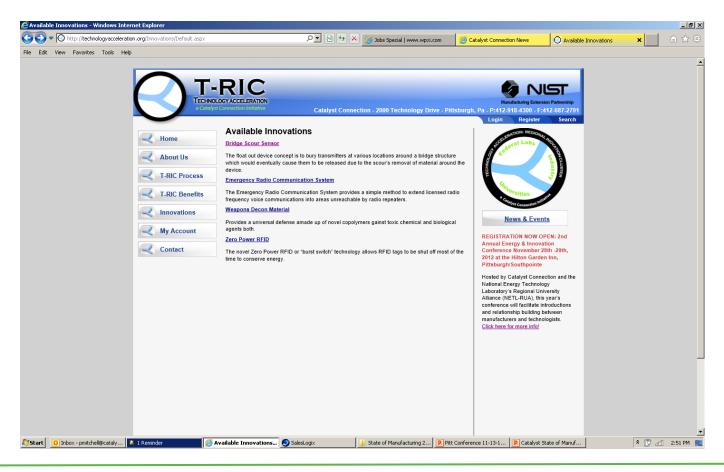
Task 4: Conduct 3-5 Energy Technology Innovation Pilots

T-RIC		PHASE 1	PHASE 2	PHASE 3	PHASE 4
M-RIC Other	IDEATION PHASE	Opportunity Identification	Business Case Development	Development, Testing & Planning	Production & Commercialization
		TIGG Corporation	Ohm-Labs	Angstrom Sciences	Kopp Glass
LOW				Berner International	Acutran
LOW RISK				ECSI	
				Mecco	
				Premier Automation	
	TIGG Corporation		Lewis Environmental	Angstrom Sciences	
	Univ. of Pitt Bridge Scour			EXTECH	
MEDIUM	Univ. of Pitt Zero Power RFID				
RISK	Univ. of Pitt Weapons Decon				
RISK	CERMUSA				
	Kopp Glass				
	Nabco				
HIGH			Fortier Engineering	nanoGriptech	Canon Boiler Works
RISK			Universal Electric		Ingmar Medical
Innovatio	on Management System (IMS)				
1) TIGG C	orporation				
2) MCC In	ternational				
3) Kopp G	lass				



Task 4 – Pilot Projects

http://technologyacceleration.org/Innovations/Default.aspx





Task 5: Measure Success - Sustainable Innovation



Purpose:

Sustainable Culture

Impact

Increase Speed and Decrease Risk

System and Process

Four Steps: Define, Discover, Develop and Deliver

Tools and Training

Create Ideas, Communicate, Commercialize Innovation Leadership. Green Belt and Black Belt



Task 5: Measure and Sustain: Facilitate Virtual Collaboration

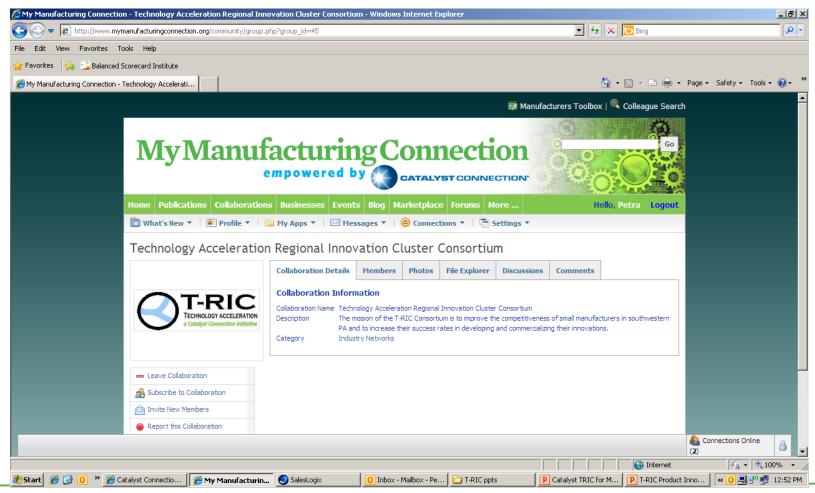


MyManufacturingConnection.org is our newest outreach tool.

It is an online collaboration site that allows manufacturers to interact with one another as well as Catalyst Consultants and other experts to help them achieve success and find solutions to problems right from their desk 24 hours a day.



Task 5: Measure and Sustain: T-RIC Collaboration Group





Summary

- SW PA regional strengths include manufacturing, energy and university research
- Small manufacturers are well-positioned for growth
- Catalyst Connection offers dedicated services in innovation, technology transfer and new product development
- We utilize an established proven process and are augmenting our services with Innovation Engineering Concepts
- We have secured additional funding to build on our TRIC initiative to specifically focus on the Marcellus-Shale end markets



Summary(cont.)

- Our research partners are committed to continued project and client support.
- Over 19 companies have already engaged with us in various stages of innovation and new product development
- One company is selling new products, and we are measuring their results
- We plan to sustain this initiative as part of our overall "Strategic Partnership Services"



Benefits

- Clients technical assistance and support, business growth and profitability,
- Researchers Knowledge sharing, hands-on experience, consulting revenue
- Catalyst Connection reinforcing our value proposition, securing additional funding, meeting our mission and objectives
- Region economic impact!



For More Information

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