

Written Response to Questions Regarding GM 627

by

**JAMES P. KARINS**

before the

**SENATE COMMITTEE ON EDUCATION**

April 13, 2011

1:15 PM

State Capitol, Conference Room 225

In consideration of

**GM 627 RELATING TO THE NOMINATION OF**

**JAMES P KARINS**

**TO THE BOARD OF DIRECTORS OF THE**

**RESEARCH CORPORATION OF THE UNIVERSITY OF HAWAII**

Senator Tokuda, Chair; Senator Kidani, Vice Chair; and Members of the Committee:

I would like to provide the following answers to the questions posed by the committee.

**Question 1: Why do you wish to be a member of RCUH's Board of Directors?**

Response: I wish to be on the board of directors because I believe that I have the experience and insight into the research and development business, especially federally funded R&D, to provide valuable support to RCUH. As a product of public education, from kindergarten through my PhD, I appreciate the importance of a public university. Without the research at public universities, I would not be where I am today. I want to help the future generations have those same opportunities and I want them to create new technologies, new businesses, and new jobs in Hawaii. Without research and innovation, there will be no new business base and there will not be the economic growth needed to provide a better life for our children. The University of Hawaii and RCUH, in particular, are the foundation to that better life and I want to be a part of it.

**Question 2: The fundamental mission of RCUH is to support the research and training programs of the University of Hawaii and to enhance research, development, and training in Hawaii. How do you perceive your role and responsibilities as a member of RCUH's board of directors?**

Response: The role of the board of directors is primarily two-fold. First the board members help the management of RCUH develop the plans and budgets. This does not mean that the board members make these plans and budgets but they provide advice, critique and eventual approval to them. It is the role of the board to ensure that these plans and budgets are consistent with mission of RCUH and achieve their goals in the most productive fashion. The second role is the support and oversight of the execution of these plans and budgets. Board members are a valuable resource to the management team in the identification and capture of new research and development contracts and grants. I also would like to see RCUH receive more funding in areas that have commercial spinoff potential and I believe that my experience matches well with helping to identify those opportunities.

**Question 3: Given your understanding of the role and responsibilities as a member of RCUH's Board of Directors, why do you believe that you are qualified for the position? Please include a brief statement of your skills, expertise, experiences, or knowledge that would aid in your decision-making ability as a member of the RCUH Board. Highlight three qualities you feel make you a highly qualified candidate.**

Response: I believe there are several aspects to being a highly-qualified candidate for the position. Three of these are experience with university research and training, experience in obtaining research funds, and leadership abilities. My background is filled with experience and demonstrated expertise in these three areas as discussed below:

First, my career started by being part of an academic research group where I first developed an appreciation for the importance of research and training at a university. This culminated in receiving a PhD in Physics which I then used to enter industry. During my thirty-year career business and research, I have had the privilege and experience of working with a number of universities and faculty including the University of Hawaii, Carnegie Mellon, University at Albany - SUNY, UCLA, Portland State, Canterbury University and the Lund Institute. My extensive experience working with various university research projects and teams gives me added insight into the best practices of successful university research organizations and it will provide me with better decision-making ability as a member of the RCUH Board.

Second, since graduating with my PhD, I have been involved in research and development companies or research departments of large corporations. I have published over 50 technical articles, have received 5 patents and have several more pending. My thirty year career in research and development and the transition of pure research to business opportunities provides me with the knowledge to apply to decision-making as a member of the RCUH board.

Third, I have taken a growing leadership role in the R&D community both on the mainland and in Hawaii. Over my career I have been responsible in a major role for identifying, pursuing and winning over \$100M in federal research contracts. I have started four technology companies, three in Hawaii. One of

these companies was recognized as the first technology company in Hawaii to make the Inc 500 list, one of the fastest growing companies in the United States. Another company was named the second fastest growing company in Hawaii by Pacific Business Magazine and last year was named the 529th fastest growing company in the US. I have also taken an active role as a member of the Chamber of Commerce Dual-Use Subcommittee and I am an active member of the Board of Directors for the Hawaii Science and Technology Council. My demonstrated leadership will directly apply to my decision-making ability as a member of the RCUH board.

**Question 4: What role, if any, do you see RCUH playing in the State's effort to recover from the current economic crisis?**

Response: I believe that RCUH can and should play a significant role in the State's effort to recover from the current economic crisis and to mitigate future economic downturns. In order for the State to provide the services the public expects and to meet its long term obligations without adding burdensome taxes, the economic activity per resident must be increased. Currently tourism, the military, and agriculture provide much of the economic activity in the State, but it is unlikely that they will grow sufficiently to provide the economic growth the state needs. Over the last couple of decades the locations that have been the most successful in building economic growth engines have relied on knowledge-based industries. And we find these knowledge-based industries around successful research universities that have a culture of transitioning the research to industry. This requires an agile business model to conduct the research along with the training to provide the work force to carry out the business growth. This is the role of RCUH.

This longer term approach will certainly help the state avoid another downturn of the magnitude we have recently endured, but RCUH can also play a role in helping to end the current downturn. The greatest near-term impact is achieved by increasing the number and size of research grants and contracts. This money is almost all imported into the state, and therefore has a significant economic multiplier.

**Question 5: Can you foresee any possible conflicts of interests that could arise during your service on the RCUH board? How would you overcome any possible conflicts of interest?**

Response: I do not have any family or close personal relationship with any employee or other director of RCUH. My company, Pukoa Scientific, has had and may have in the future some joint projects with RCUH. These projects have historically been relatively small, less than \$50K and less than 5% of our annual research efforts. We are completing one effort with RCUH where Pukoa is a subcontractor on a NASA grant. All of the efforts we have jointly worked on are audited by the federal government and costs and billings are in accordance with approved federal government rates.

In addition to avoid any conflict of interest and even the slightest perception of a conflict of interest, any and all future joint projects will be brought to attention of the other board members and the executive director of RCUH. As needed I will recuse myself from any discussion and decision on any RCUH issue that may affect my company.

I believe the potential for any conflict of interest is small, but because of the relatively small research community in Hawaii, vigilance and transparency must be maintained. This is critical to RCUH, to my personal reputation, and to the confidence and trust of the Governor and Legislature.

GM627

Testimony

DANIEL K. AKAKA  
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# United States Senate

WASHINGTON, DC 20510-1103

April 11, 2011

COMMITTEES:

ARMED SERVICES

BANKING, HOUSING AND  
URBAN AFFAIRS

ENERGY AND NATURAL RESOURCES

HOMELAND SECURITY AND  
GOVERNMENTAL AFFAIRS

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VETERANS' AFFAIRS

Honorable Jill Tokuda  
Chair  
Hawaii State Senate  
Committee on Education  
Hawaii State Senate, Room 218  
Honolulu, HI 96813

Dear Senator Tokuda:

I am writing in support of Dr. James Karins' nomination to the Board of Directors of the Research Corporation of the University of Hawaii (RCUH).

I have known Dr. Karins for many years. He is currently the President of both Pukoa Scientific and Actilytics, Inc. Pukoa Scientific develops image processing algorithms for the military, while Actilytics develops image processing applications for security and home monitoring.

Dr. Karins has a BS in Math and Physics, a Masters in Physics and a PhD in Physics, concentrating in semiconductors, from the State University of New York at Albany. His career has focused on photonic applications for military, medical, environmental, and security applications. After having worked at both large and small companies, he has started four technology companies, three of which are in Hawaii. One of these companies was recognized as the first technology company in Hawaii to make the Inc 500 list. Another company was named the second fastest growing company in Hawaii by the Pacific Business Magazine and last year was named the 529<sup>th</sup> fastest growing company in the U.S.

During his career, Dr. Karins was the founding President, Chief Executive Officer, and Chairman of the Board for Innovative Technical Solutions, Inc. His responsibilities included overseeing all operations of the corporation from engineering to management to financial. He also previously served as the Executive Vice President and Director of Programs for Science and Technology International. He was tasked to expand their operations, to implement processes and procedures to orderly control growth, and to focus the direction of the company. He was quickly promoted to Chief Operating Officer to oversee all the day-to-day operations in Honolulu, Hilo, Kihei and San Diego.

Dr. Karins has published over 50 technical articles, has received 5 patents and has several more pending, is a member of the Chamber of Commerce Dual-Use Subcommittee, and sits on the Board of Directors for the Hawaii Science and Technology Council. Dr. Karins has had a key role in obtaining over \$100 million in federal research contracts in his career and has worked with numerous faculty members at institutions of higher learning,

Honorable Jill Tokuda  
April 11, 2011  
Page 2

such as the University of Hawaii, Carnegie Mellon University, UCLA, Portland State University, Canterbury University New Zealand, and the Lund Institute Sweden.

I have no doubt that the Research Corporation of the University of Hawaii would benefit greatly from Dr. Karins' leadership skills and extensive experience in both the technical and business aspects of research and development programs, and I strongly support his nomination. Thank you for your consideration.

Aloha pumehana,

A handwritten signature in black ink that reads "Daniel K. Akaka". The signature is written in a cursive style with a large, stylized initial 'D'.

DANIEL K. AKAKA  
U.S. Senator

Testimony  
Submitted to the Senate Committee on Education  
In Support of the Confirmation of James P. Karins (GM627)  
as a Member of Board of Directors of  
the Research Corporation of the University of Hawaii  
April 13, 2011, 1:15 pm  
Room 225

Chair Tokuda, Vice Chair Kidani, and members of the Committee, my name is Michael Hamnett. I am Executive Director of the Research Corporation of the University of Hawaii (RCUH) and am testifying in support of the confirmation of Dr. James P. Karins as a member of the Board of Directors of RCUH.

I have known James Karins since 2008 through my participation in the Board of Directors of the Hawaii Science Technology Institute and my work with the Hawaii Science and Technology Council Board on which he serves.

Dr. Karins has been involved in research his entire professional career. He has been employed by a broad range of research and development companies on the US mainland and in Hawaii. As a very successful researcher, research manger, entrepreneur, and executive, he has first hand knowledge of the kind of disciplined and flexible management systems needed for successful research organizations. He has been involved in research and development corporations that have undergone the kind of growth the research enterprise at UH and RCUH has experienced over the last decade. He has also worked directly with the increasing complex federal contract and grant requirements with which RCUH and the University of Hawaii must comply.

I believe that Dr. Karins's background and experience will be very valuable to RCUH as it seeks to become more and more effective as research contracts and grants management organization serving the University of Hawaii, federal state and county agencies, and non-profit organizations. I sincerely hope that the Senate will confirm Dr. James Karins as a member of the RCUH Board of Directors.

Unfortunately, I am in San Diego and am unable to attend the confirmation hearing in person but thank you for the opportunity to submit testimony.

Michael Hamnett



# SCHLISSEL & ASSOCIATES, LLC

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April 8, 2011

Committee on Education  
Senator Jill N. Tokuda, Chair  
State of Hawaii  
Testimony for Hearing Scheduled April 13, 2011 at 1:15  
Conference Room 225, State Capitol

Re: Letter in Support of Mr. James Karins  
for Board of Directors RCUH

Dear Mrs. Tokuda:

I am writing this letter in full-hearted support of Mr. James Karins' application to be approved as a member of the Board of Directors of the Research Corporation of the University of Hawaii ("RCUH"). I believe that Mr. Karins possess the requisite skill, knowledge, ethical and moral foundation and desire to make himself a valuable member of the Board of Directors. Both RCUH and Hawaii as a whole needs now, more than ever, an educated, skilled and experienced member of the Hawaii community to provide guidance and insight. That person, in my estimation, is James Karins.

I am very aware of Mr. Karins' attributes, background, experience and ethics from a seven year business relationship. During the whole period that I have known Jim, he has always represented the highest ethical and moral standards in running his business. He has shown true appreciation of his employees and managers. He has taken the lead in representing the high technology business community in Hawaii and has a proven track record of business success – both with his current firm (Pukoa Scientific LLC) and with his prior company, Innovative Technical Solutions, Inc..

While running my accounting firm, I have met a great number of local and national businessmen. Very few of them have impressed me like James Karins. Whether it be providing his insight on the Hawaii Science and Technology Council Board of Directors or making serious management decisions as to the direction of his company, Mr. Karins has always elicited comments from all parties, made thoughtful and well supported decisions and looked for consensus, wherever possible. All attributes and signs of an excellent leader and businessman.

Letter in Support of Mr. James Karins

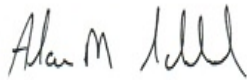
April 8, 2011

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In addition to the experience, interpersonal skills and business acumen that he brings, Mr. Karins is a very well educated individual. In addition to a PhD in Physics, I know he has a mathematics degree and has nearly completed a MBA degree.

In conclusion, it is with an unequivocal belief, that I support James Karins for the position of member of the Board of Directors of the Research Corporation of the University of Hawaii.

Kind Regards,

A handwritten signature in black ink, appearing to read "Alan M. Schlissel". The signature is written in a cursive style with a large, stylized initial "A".

Alan M. Schlissel, JD, MBA, LLM



|            |  |
|------------|--|
| Title      | GM627                                      |
| Date       | April 13, 2011                             |
| Time       | 1:15pm                                     |
| Place      | Conference Room 225                        |
| Committee  | EDU  |
| Chair      | EDU: The Honorable Senator Jill N. Tokuda  |
| Vice Chair | EDU: The Honorable Senator Michelle Kidani |

Aloha Chair Tokuda, Vice Chair Kidani, and Members of the Committee,

**I support GM627;** the consideration and confirmation to the Board of Directors of the Research Corporation of the University of Hawai'i, Gubernatorial Nominee, JAMES P. KARINS, for a term to expire 6-30-2015.

The mission of RCUH is to support the research and training programs of the University of Hawaii and to enhance research, development, and training generally in Hawaii. Jim would be an asset to the Board because of the following comments.

I have had the privilege to work with Dr. Karins (Jim) for the last year and a half as President of HSTC. He has served as a loyal and active Board member during this time. He served on several committees (Policy, Executive, and Communications) and has always contributed above and beyond what is required of a Board member.

Jim has extensive experience with technology companies both here in Hawaii and on the Mainland. He has been very successful in securing over \$100M in federal research contracts in his career and has worked with numerous faculty at several universities such as the University of Hawaii, Carnegie Mellon University, UCLA, Portland State University, Canterbury University New Zealand, and the Lund Institute Sweden.

He is an integral player in the technology industry here in Hawaii. He has been a strong supporter of the Research & Development (R&D) bill that has helped build the industry. He understands the importance of research and its role in building an innovation ecosystem. He has been a strong supporter of various programs at the University and has diligently tried to recruit members of his company from the University.

I appreciate your time for allowing me to submit testimony on the support of GM627, confirming Dr. Karins to the Board of Directors of the Research Corporation of the University of Hawai'i.

Mahalo,

Keiki-Pua S. Dancil, Ph.D.  
President  
Hawaii Science & Technology Council  
PO Box 4201  
Honolulu, HI 96813

Written Statement of  
**YUKA NAGASHIMA**  
**Executive Director & CEO**  
High Technology Development Corporation  
before the  
**SENATE COMMITTEE ON**  
**EDUCATION**  
Wednesday, April 13, 2011  
State Capitol, Conference Room 225  
1:15 P.M.  
In consideration of

**GOVERNOR'S MESSAGE 627**  
**SUBMITTING FOR CONSIDERATION AND CONFIRMATION**  
**TO THE BOARD OF DIRECTORS OF THE RESEARCH CORPORATION OF THE**  
**UNIVERSITY OF HAWAII,**  
**GUBERNATORIAL NOMINEE, JAMES P. KARINS,**  
**FOR A TERM TO EXPIRE JUNE 30, 2015.**

Chair Tokuda, Vice Chair Kidani, and Members of the Committee on Education.

It is my pleasure to support the appointment of James P. Karins to the Board of Directors of the Research Corporation of the University of Hawaii (RCUH).

Mr. Karins has been leading Pukoa Scientific, LLC since 2004 as its founder and president. I have known Mr. Karins since my arrival to the Manoa Innovation Center as the Executive Director of High Technology Development Corporation (HTDC). Mr. Karins, however, is not only a tenant in a tech center but an active participant of this incubation program. During his time at the Manoa Innovation Center (MIC), he has participated in a variety of programs organized by HTDC, sharing his experiences with the research and development sector and his knowledge of defense contracting with other tenants and HTDC clients.

Beyond the MIC community, he participates regularly with the Dual Use Network, has been a recipient of many federal contracts and awards directly with the U.S. Dept. of Defense and other entities and programs such as Pacific Innovation Center for High Technology Research's High Technology Development Venture program and High Technology Development Corporation's Hawaii Small Business Innovation Awards. He has been active with the community in supporting state policies that support research and development, and the growth of the commercial technology sector. He has submitted several detailed testimonies to assist in improving those bills as well as working behind the scenes to build consensus among the industry stakeholders. He has had Board level experience by serving on the Board of the local industry association, HiSciTech, and saw through the transition of its president.

Most of all, his latest entrepreneurial venture, Actilytics, to leverage the research conducted with Pukoa Scientific, qualifies Mr. Karins to speak to the challenges this community faces in leveraging the research dollars for commercialization. His work with his companies has been recognized by the mainstream media, such as the awards and articles by Pacific Business News, contributing too much needed celebration of the technology community. With innovation being a key topic of discussion for the University of Hawaii and RCUH being a key factor to address that challenge, I enthusiastically support Mr. Karins to serve on the RCUH board.

Thank you for this opportunity to testify in support of his nomination.

**Testimony to the Senate Committee on Education  
Wednesday, April 13, 2011 at 1:15 p.m.  
Conference Room 225, State Capitol**

**RE: GM 627 SUBMITTING FOR CONSIDERATION AND CONFIRMATION  
TO THE BOARD OF DIRECTORS OF THE RESEARCH  
CORPORATION OF THE UNIVERSITY OF HAWAII,  
GUBERNATORIAL NOMINEE, JAMES P. KARINS, FOR A TERM TO  
EXPIRE 6-30-2015**

Chair Tokuda, Vice Chair Kidani, and Members of the Committee:

The Chamber supports the confirmation of Mr. James P. Karins to the Board of the Directors of the Research Corporation of the University of Hawai'i.

The Chamber is the largest business organization in Hawaii, representing more than 1,100 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of its members, which employ more than 200,000 individuals, to improve the state's economic climate and to foster positive action on issues of common concern.

Dr. Karins is currently the President of Pukoa Scientific which develops image processing algorithms for the military and Actilytics, Inc. which develops image processing applications for security and home monitoring. His career has focused on photonic applications for military, medical, environmental, and security applications. After having worked at both large and small companies, he has started four technology companies, three in Hawaii. One of these companies was recognized as the first technology company in Hawaii to make the Inc 500 list, one of the fastest growing companies in the United States. Another company was named the second fastest growing company in Hawaii by Pacific Business Magazine and last year was named the 529th fastest growing company in the US.

Dr. Karins serves on the Chamber's Dual Use and Defense Technology Committee. He has been an active and instrumental member on the committee and has been an asset and valuable member due to his astute knowledge in this area, intelligence, and "teamwork" attitude.

Throughout his distinguished career, Dr. Karins also devotes much of his time towards community service by serving on various committees and organizations.

We have the utmost confidence that Dr. Karins will serve with a high level of leadership, professionalism, integrity, responsibility, and a positive attitude. He will be a tremendous asset to the board.

We respectfully ask that the committee pass GM 627. Thank you for the opportunity to provide testimony.

## Erin Conner

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**From:** Daniel Leuck [dan@ikayzo.com]  
**Sent:** Thursday, April 07, 2011 3:33 PM  
**To:** EDU Testimony  
**Subject:** Support for nomination of James Karins for the BoD of RCUH (Bill/Ref # GM627)

Committee Members:

With regard to the nomination of James Karins, PhD for the Board of Directors of RCUH being heard on Wed, April 13th, 2011 at 1:15PM in Conference Room 215 of the State Capitol (Bill/reference number GM627), I am writing in support of the Governor's nomination. Dr. Karins is a leader in the technology community in Hawaii having started four highly successful technology companies that provide excellent jobs to our state's engineers and software developers. One of these companies was recognized as the first technology company in Hawaii to make the Inc 500 list, one of the fastest growing companies in the United States. Another was named the second fastest growing company in Hawaii by Pacific Business Magazine. Dr. Karins has published over 50 technical articles, has received 5 patents, is a member of the Chamber of Commerce Dual-Use Subcommittee, and sits on the Board of Directors for the Hawaii Science and Technology Council. Dr. Karins has had a key role in obtaining over \$100M in federal research contracts in his career and has worked with numerous faculty at several universities such as the University of Hawaii, Carnegie Mellon University, UCLA, Portland State University, Canterbury University New Zealand, and the Lund Institute Sweden.

It is for these reasons that I unconditionally support his nomination.

Thank you for your time and attention.

Aloha,

--

Daniel Leuck  
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Written Statement of

**Karl Fooks**

before the

**SENATE COMMITTEE ON EDUCATION**

April 13, 2011

1:15 PM

State Capitol, Conference Room 225

In consideration of

**GOVERNOR'S MESSAGE 627**

**SUBMITTING FOR CONSIDERATION AND CONFIRMATION  
TO THE RESEARCH CORPORATION OF THE UNIVERSITY OF HAWAII,  
BOARD OF DIRECTORS,  
GUBERNATORIAL NOMINEE, JAMES P. KARINS  
FOR A TERM TO EXPIRE JUNE 30, 2015.**

Chair Tokuda, Vice Chair Kidani, and Members of the Committee on Education:

I am submitting testimony in strong support of the nomination of James P. Karins to the Board of Directors of the Research Corporation of the University of Hawaii (RCUH). In my capacity as the president of the Hawaii Strategic Development Corporation I have worked with Dr. Karins, both in his role as a technology entrepreneur and his role as a policy advocate for the broader technology industry here in Hawaii. I am confident his experiences as an academic researcher, a private sector researcher, and an entrepreneur commercializing research will add valuable perspective to the RCUH board. Dr. Karins has demonstrated a strong commitment to public policy in his role as board member of the Hawaii Science and Technology Council and a member of the Dual Use Sub-Committee of the Chamber of Commerce of Hawaii. He has made an effective contribution to the economic development of Hawaii by drafting and advocating for legislation to benefit the research and development community here in Hawaii.

Thank you for the opportunity to submit testimony in support of this nomination.