

HB 71

Testimony

Measure Title: RELATING TO HIGH TECHNOLOGY.

Report Title: High Technology Development Corporation; University of Hawaii; Land Lease

Description: Requires the University of Hawaii to extend the current land lease with the high technology development corporation for no less than 25 years from the date of expiration of the existing lease.

Companion:

Package: None

Current Referral: HRE/EGH, WAM

Introducer(s): CHOY



UNIVERSITY OF HAWAI'I SYSTEM

Legislative Testimony

Testimony Presented Before the
Senate Committee on Higher Education and
Senate Committee on Economic Development, Government Operations and Housing
March 21, 2013 at 2:45pm

by
James R. Gaines
Vice President for Research, University of Hawai'i

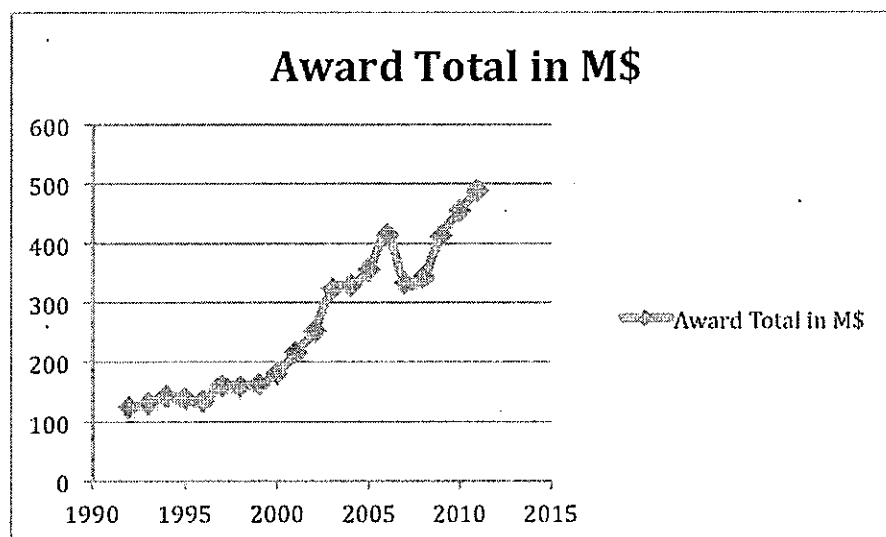
HB 71 – RELATING TO HIGH TECHNOLOGY

Chairs Taniguchi and Dela Cruz, Vice Chairs Kahele and Slom, and members of the committees:

The University strongly OPPOSES HB 71 which requires the University of Hawai'i to extend the current land lease with the High Technology Development Corporation for no less than 25 years from the date of expiration of the existing lease.

In 1990, the University of Hawai'i (UH) entered into an agreement under which the (then) new Mānoa Innovation Center (MIC), constructed on University land, was to be leased to the High Technology Development Corporation (HTDC) for a 25-year term, after which the facility was to revert to UH. All parties agreed, in writing, to this arrangement.

Since beginning of the current lease, University research awards have doubled in **each** of the past decades as shown by the graph below.



It is the goal of the University, in research, *to double the annual awards once more in the coming decade*. In order to accomplish this, new and remodeled facilities are essential and an expanded MIC will play an important role in achieving that goal. It is important to emphasize the commitment of UH to the development of a robust research and technology industry in Hawai'i. Last year UH President Greenwood convened a blue ribbon task force to recommend key changes in how the University develops this research industry. Participants at our recently completed *E Kamakani Noi'i* conference further focused our ideas on what it will take to build a 21st century economy in Hawai'i.

We are still in the formative stages of defining exactly what form and structure will best support this needed innovation agenda. However, we expect that these activities will be based at the Mānoa Innovation Center, which is already a significant site for the University's research enterprise. In fact, UH and our related programs are already the single largest set of tenants in the facility and we are paying the largest portion of the rent, which goes to support HTDC operations. We could occupy all the existing space at MIC, with UH programs that are renting facilities elsewhere, immediately.

President Greenwood and UH leadership held preliminary discussions with the HTDC Executive Director and some of the HTDC board members. UH emphasized our willingness to let HTDC remain in the MIC facility after 2015 if they so choose. Our discussions further explored a range of possibilities, including HTDC playing a role in implementing the University's innovation agenda. These discussions are continuing and we will be happy to keep the Legislature informed of our progress.

The University does support the development of a technology park on O'ahu, the only island without such a capability. However, the Mānoa Innovation Center is not large enough to house the activities normally found within a technology park, so another venue should be found to provide full support for emerging technology businesses. HTDC would be the natural organization to lead such an initiative and UH would support them.

We believe this is an opportune time for the State to invest in the development of high technology to diversify and strengthen our economy. But this should not be done at the expense of research growth and the new innovation agenda being developed by UH.

We urge you to not pass this bill and to preserve the agreement made with UH at the time MIC was constructed.

Thank you for the opportunity to testify on this matter.

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, March 20, 2013 8:41 AM
To: HRETestimony
Cc: yvonne@htdc.org
Subject: Submitted testimony for HB71 on Mar 21, 2013 14:45PM
Attachments: HB0071_BED-HTDC_03-21-13_HRE-EGH.pdf

HB71

Submitted on: 3/20/2013

Testimony for HRE/EGH on Mar 21, 2013 14:45PM in Conference Room 414

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---|---------------------------|---------------------------|
| Yuka Nagashima | High Technology Development Corporation | Support | Yes |

Comments: Len Higashi to attend hearing on behalf of Yuka Nagashima.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

Statement of
YUKA NAGASHIMA
Executive Director & CEO
High Technology Development Corporation
before the
SENATE COMMITTEES ON HIGHER EDUCATION
AND
ECONOMIC DEVELOPMENT, GOVERNMENT OPERATIONS & HOUSING
Thursday, March 21, 2013
2:45 p.m.
State Capitol, Conference Room 414
In consideration of
HB 71 RELATING TO HIGH TECHNOLOGY.

Chairs Taniguchi and Dela Cruz, Vice Chairs Kahele and Slom, and Members of the Committees on Higher Education and Economic Development, Government Operations and Housing.

The High Technology Development Corporation (HTDC) **supports** HB71 which requires the University of Hawaii (UH) to extend the current land lease for the Manoa Innovation Center (MIC) to the HTDC.

The HTDC manages the incubation facility at the MIC which was built by the State on land purchased by the UH under an agreement which expires in April 2015. The revenue generated through the incubation program provides a sustainable fund for a majority of the HTDC operation.

The MIC facility is a highly desirable location for its proximity to UH faculty and students. The facility is configured with a dense range of small offices which makes it cost efficient for a business startup. The small offices and flexible lease we offer allows a business to grow and shrink to meet its needs. HTDC has leveraged some of the larger offices into coworking spaces to allow more businesses to take advantage of our services, workshops, and programs.

HTDC remains supportive of UH's innovation agenda as a piece of the bigger goal of growing the State's tech sector.

Thank you for the opportunity to submit testimony on this bill.

Written Statement of

William M. Bass, Jr.
President
Bill Bass & Associates, LLC

before the
SENATE COMMITTEES ON HIGHER EDUCATION
and
ECONOMIC DEVELOPMENT, GOVERNMENT OPERATIONS, and HOUSING,

State Capitol, Conference Room 414
In consideration of

HB 71 RELATING TO HIGH TECHNOLOGY.

Chairs Taniguchi and Dela Cruz, and Members of the Committees on Higher Education and Economic Development, Government Operations, and Housing.

I am Bill Bass, the first Executive Director of the High Technology Development Corporation (HTDC) testifying in **support** HB71, which would require the University of Hawaii (UH) to extend the current land lease for the Manoa Innovation Center (MIC) to the High Technology Development Corporation (HTDC).

I served as the Executive Director of HTDC from March 1984 until October 1994. I conceived, fought for and built the MIC to support innovation and entrepreneurship among Hawaii high tech companies. By providing office space for these start-up companies on the grounds of UH, we made it possible for them to access the wide-range of UH support including its faculty, technical facilities (labs) and business assistance. We co-located the UH quasi-public Research Corporation of the University of Hawaii (RCUH) and the private Pacific International Center for High Technology Research (PICHTR) on the grounds to further encourage synergy there. We also created the Hawaii Small Business Innovation Research (HSBIR) program to enhance Hawaii companies' access to funding for innovative projects. The MIC was the center-piece of our efforts to make it possible for local companies to grow and prosper.

I must admit that I was taken aback when UH proposed HTDC accept the site on a 25-year lease in 1989 instead of an outright transfer, but when it was explained to me that the reason for the lease was HTDC's lack of a

proven track record (HTDC was created in 1983 and this was only our second project), I was happy to sign the lease and begin construction. The MIC is the result of outstanding cooperation between HTDC and UH and one of their most successful joint projects.

Chair Taniguchi, you initially objected to the MIC construction project because I had not informed you nor the community of our plans. The project was delayed for a year while we did a study on its merits, and the architect and I went door-to-door to every home in the area explaining what we intended to do with the property. The result was complete acceptance, and the project proceeded to fulfillment and has been hugely successful. I wonder if the University has approached you or the community about their plans should the lease be terminated.

While I would prefer to see UH transfer the property to HTDC outright, a renewal of the lease is an acceptable way to ensure that innovation and entrepreneurship continue to be supported by our State.

Please pass this bill and make it possible for the MIC to continue encouraging innovation and entrepreneurship there. Thank you for this opportunity to testify. I'll be glad to try to answer any questions you may have for me.



MAKAI OCEAN ENGINEERING, INC.

P.O. BOX 1206 KAILUA, OAHU, HAWAII 96734 USA

Testimony To
Senate Committees on Higher Education
And
Economic Development, Government Operations and Housing

Relating To
H.B 71
Relating to High Technology; Manoa Innovation Center Land Lease

By
Billy Pieper, Makai Ocean Engineering

Date: March 20, 2013

To: Chairs Taniguchi and Dela Cruz, Vice Chairs Kahele and Slom, and Members of the Committees

The purpose of this proposed bill is to extend the current Manoa Innovation Center (MIC) land lease for no less than 25 years. This will allow the High Technology Development Corporation (HTDC) to continue operation of MIC as an innovation center. Makai Ocean Engineering is in support of this measure.

HTDC provides key resources to help develop and retain high tech in Hawaii. Their core initiatives are:

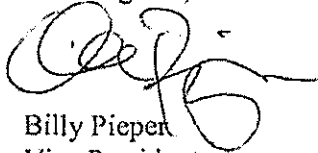
- To develop and manage a statewide network of incubation services and facilities that provide new technology businesses with access to business development services, strategic partnerships, networking and marketing opportunities, shared support services, and business mentoring.
- To expand existing business development services for new start-ups, as well as existing businesses in the technology sector. Services include nationally-acclaimed programs such as FastTrac Entrepreneurship Training and the Manufacturing Extension Partnership Program.
- To secure and administer federal and private grants and contracts in support of technology research and to provide technical assistance to small technology businesses so they can successfully compete for these funds and contracts.
- To support skilled workforce development for the technology sector through outreach programs, partnerships, and web-based communications activities.

HTDC has supported Makai over the years and we feel it is very important to ensure that HTDC and the MIC incubation program have a future beyond 2015. While we

acknowledge that HTDC should continue to look for another suitable facility and source of funds, it is important to extend the lease until a better solution is reached. Makai Ocean Engineering would encourage you to support this measure.

Thank you for the opportunity to share these thoughts with you.

Best Regards,

A handwritten signature in black ink, appearing to read 'Billy Pieper', with a stylized flourish extending to the right.

Billy Pieper
Vice President
Makai Ocean Engineering



Written Statement of
BRIAN M. DOTE
Founder
Tapiki LLC

before the
**SENATE COMMITTEES ON HIGHER EDUCATION
AND
ECONOMIC DEVELOPMENT, GOVERNMENT OPERATIONS & HOUSING**

**Thursday, March 21, 2013
2:45 p.m. State Capitol, Conference Room 414**

**In consideration of
HB 71 RELATING TO HIGH TECHNOLOGY**

Chairs Taniguchi and Dela Cruz, Vice Chairs Kahele and Slom, and Members of the Committees on Higher Education and Economic Development, Government Operations and Housing.

Tapiki LLC **SUPPORTS** HB71 which requires the University of Hawaii (UH) to extend the current land lease for the Manoa Innovation Center (MIC) to the HTDC.

My name is Brian M. Dote, and I am a tech co-founder of multiple Hawaii based technology companies. I moved away to Silicon Valley to chase my dotcom dreams having had the opportunity to work at large tech companies in the Bay Area including Cisco Systems and Apple, Inc. I worked on the iPhone, iTunes, what is now iCloud, and many other innovative technologies while at Apple, leading to 3 patents and 1 patent pending.

After moving back to Hawaii I have tried to bring what I've learned and experienced in Silicon Valley to our home here in the Islands. Starting tech companies out in the middle of the Pacific isn't easy. We are faced with many challenges and that is why I am submitting testimony in support of HB71.

All of my companies are based out of the Manoa Innovation Center (MIC). It is the ground zero of the tech community here. Losing the MIC is akin to losing Hollywood for the movie industry, or losing Silicon Valley for the tech industry. The critical mass of high tech companies that have formed a community here is second to none in the islands.

In addition to being the heart of the tech community, the MIC is invaluable to small business owners like myself. Offering affordable and flexible lease rates, access to programs, training, mentoring, and insanely fast internet, we could not stay in business without it. In fact, we wouldn't have started some of businesses if the MIC and HTDC were not around to help us get off the ground.

It's called the Manoa Innovation Center for a reason. Innovation is happening there each and every day. Thank you for the opportunity to submit testimony on this bill.

Written Statement of

Leigh-Ann K. Miyasato
lkmiyasato@gmail.com

before the

**SENATE COMMITTEES ON HIGHER EDUCATION
AND
ECONOMIC DEVELOPMENT, GOVERNMENT OPERATIONS & HOUSING**

Thursday, March 21, 2013
2:45 p.m. State Capitol, Conference Room 414

In consideration of

HB 71 RELATING TO HIGH TECHNOLOGY

Chairs Taniguchi and Dela Cruz, Vice Chairs Kahele and Slom, and Members of the Committees on Higher Education and Economic Development, Government Operations and Housing:

I **support** HB71, which requires the University of Hawaii (UH) to extend the current land lease for the Manoa Innovation Center (MIC) to the High Technology Development Corporation (HTDC).

As Executive Director of HiBEAM, an accelerator for early stage technology companies, from 2001 to 2005, and in my subsequent work with startup entrepreneurs in Hawaii, I saw how important it was for technology entrepreneurs to have a place to gather and benefit from resources tailored to their needs. At MIC, HTDC provides this location and resources in an effective, cost-efficient way. HTDC has nurtured many successful technology companies at MIC, including Henk Rogers's Blue Planet Software, Darren Kimura's Sopogy, and Don van Deventer's Kamakura Corporation. In addition, MIC provides space, resources, and networking to companies that are commercializing UH technology, such as Adama Materials. It would be counterproductive for UH to evict HTDC when there is no better or more convenient location for UH technologies to be developed into viable businesses that have the potential to provide excellent financial returns to UH.

Thank you for the opportunity to offer testimony on this bill.

Sincerely yours,
Leigh-Ann K. Miyasato



Hawaii
Consortium
for Medicine
& Health

PICTR – Pacific Guardian Tower
1440 Kapiolani Blvd, Suite 1225
Honolulu Hawaii 96814

808.943.3771 office
808.943.9582 fax

Written Statement of

Frank Fukunaga
President

Hawaii Consortium for Medicine and Health

before the
**SENATE COMMITTEES ON HIGHER EDUCATION
AND
ECONOMIC DEVELOPMENT, GOVERNMENT OPERATIONS & HOUSING**

Thursday, March 21, 2013
2:45 p.m. State Capitol, Conference Room 414

In consideration of

HB 71 RELATING TO HIGH TECHNOLOGY

Chairs Taniguchi and Dela Cruz, Vice Chairs Kahele and Slom, and Members of the Committees on Higher Education and Economic Development, Government Operations and Housing.

The Hawaii Consortium for Medicine and Health **supports** HB71 which requires the University of Hawaii (UH) to extend the current land lease for the Manoa Innovation Center (MIC) to the HTDC.

My name is Frank Fukunaga, President of the Hawaii Consortium for Medicine and Health.

As a former Executive Director and serving in numerous staff positions with HTDC from 1989 to 2000, it has been gratifying to facilitate the successful development of early stage high technology companies that have “graduated” from the incubation programs in Honolulu and Maui.

During my tenure with HTDC, the business assistance programs such as the incubation programs, SBIR services, numerous workshops, and seminars facilitated the formation of hundreds of technology companies and new quality jobs throughout the State of Hawaii.

Without a doubt, HTDC’s incubation centers are the foundation and backbone of business creation and expansion for technology based companies in Hawaii.

From an economic development and job creation perspective, it would be a travesty to the high technology community in Hawaii if the Manoa Innovation Center's lease would revert to the University of Hawaii.

As an economic development catalyst for high technology development in Hawaii, optimum use of the Center would be to co-locate University research and technology transfer programs with University spin-offs and early-stage high technology start-ups.

As a high technology entrepreneur, it is shameful to hear that such a successful showcase of HTDC's incubation centers and business assistance services to mitigate Hawaii's "brain drain" is on the chopping block.

Thank you for the opportunity to offer testimony on this bill.

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, March 20, 2013 9:53 AM
To: HRETestimony
Cc: tdc@akamai-marketing.com
Subject: *Submitted testimony for HB71 on Mar 21, 2013 14:45PM*

HB71

Submitted on: 3/20/2013

Testimony for HRE/EGH on Mar 21, 2013 14:45PM in Conference Room 414

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Tara Coomans | Individual | Support | No |

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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March 20, 2013

RE: In Support of HB71, HTDC Land Lease

To whom it may concern:

As a champion of entrepreneurship in Hawai'i, I have had the honor of partnering with HTDC on numerous business-building initiatives that are essential to a forward-looking and bright future for the State of Hawai'i. Such projects range from small business mentoring with BizGym.com, to traditional vendor online sales support with LeiHut.com and to the keiki though the Lemonade Alley business and financial literacy competition.

An important part of HTDC's success as a business ohana stems from its centralized Manoa location. As you know, business is about location, location, location. HTDC as an operational enterprise requires a superior location to exist, flourish and bring good to our community.

Further, HTDC is a complex micro-climate of business relationships, functionality and opportunities that have been created at significant effort and cost. Transplanting businesses is much like doing so in plant or bodies: movement / change always bears an associated risk of rejection and possible death. To disrupt the work that HTDC has accomplished risks wasting public assets that have been expended on this important endeavor.

I urge you to support HB71 and allow HTDC to continue in an uninterrupted fashion at their current location.

With aloha,

A handwritten signature in black ink that reads "Steve Sue". The signature is stylized with a large, sweeping initial "S" and a cursive "ue" at the end.

Steve Sue, founder
BizGym.com, Lemonade Alley, LeiHut.com
steve@bizgym.com
www.bizgym.com
www.lemonadealley.com
www.leihut.com

Written Statement of

David G. Watumull
President and CEO
Cardax Pharmaceuticals, Inc. ("Cardax")

before the
SENATE COMMITTEES ON HIGHER EDUCATION
AND
ECONOMIC DEVELOPMENT, GOVERNMENT OPERATIONS & HOUSING

Thursday, March 21, 2013
2:45 p.m. State Capitol, Conference Room 414

In consideration of

HB 71 RELATING TO HIGH TECHNOLOGY

Chairs Taniguchi and Dela Cruz, Vice Chairs Kahele and Slom, and Members of the Committees on Higher Education and Economic Development, Government Operations and Housing.

Cardax **SUPPORTS** HB71 which requires the University of Hawaii (UH) to extend the current land lease for the Manoa Innovation Center (MIC) to the HTDC.

My name is David G. Watumull, President and CEO, Cardax Pharmaceuticals, Inc. ("Cardax").

Cardax is developing a new class of powerful anti-inflammatory nutraceuticals and pharmaceuticals with the potency of steroids and NSAIDS (such as aspirin) with the safety of food.

In a very difficult global, national, and state funding environment for early-stage life science companies, MIC and HTDC have provided an economical and productive environment for us continue our important work. From the discounted rent to VC introductions, this support has helped us achieve an expansion of our relationship with our global partner, BASF (the large multi-national chemical company), be part of an explosion of scientific work with our compound around the globe, and has us poised for an IPO in the next several months.

HTDC's maintenance and management of MIC is exemplary. I am proud to bring visitors to the facility and believe it showcases a credible and viable approach by the State Government to fostering start-up businesses in Hawaii.

The role of HTDC in the tech community as a leader, facilitator, organizer, and sponsor is important. It is impactful and professional. Any diminution of its funding would have an adverse impact on these capabilities.

Importantly, in a global economy where many states and countries are providing significant support to tech and life-science start-ups, the role of HTDC in Hawaii's future economic diversification will need to expand in the future.

Thank you for the opportunity to offer testimony on this bill.

Written Statement of

**Ken Bekrun
President
Labels That Talk, Ltd**

before the
**SENATE COMMITTEES ON HIGHER EDUCATION
AND
ECONOMIC DEVELOPMENT, GOVERNMENT OPERATIONS & HOUSING**

Thursday, March 21, 2013
2:45 p.m. State Capitol, Conference Room 414

In consideration of

HB 71 RELATING TO HIGH TECHNOLOGY

Chairs Taniguchi and Dela Cruz, Vice Chairs Kahele and Slom, and Members of the Committees on Higher Education and Economic Development, Government Operations and Housing.

Labels That Talk (LTT) **SUPPORTS** HB71 which requires the University of Hawaii (UH) to extend the current land lease for the Manoa Innovation Center (MIC) to the HTDC.

My name is Ken Berkun, President of LTT,

Our company has been a virtual clinic of the HTDC at the MIC for 5 years. We have received tremendous support from them. They have helped strengthened our company – which helps us further in hiring local talent and succeeding on a global scale.

We have hired a variety of employees from tech writers to video production to highly talented computer programmers. As we grow we will need a pool of talent to hire from. We need the advice of senior members of the community and we need the space to grow in. The MIC provides a way variety of services that we have drawn on over the years and hope to continue to do so, with your support.

Please keep this valuable organization alive and health.

Thank you for the opportunity to offer testimony on this bill.

Sincerely yours,

Ken Berkun, President
Labels That Talk, Ltd.
230 Iliha St.
Kailua, HI 96734

Hawaii Venture Capital Association
805 Kainui Dr.
Kailua, HI 96734
808-225-3579

Date: March 20, 2013

**To: SENATE COMMITTEE ON HIGHER EDUCATION, SENATE
COMMITTEE ON ECONOMIC DEVELOPMENT, GOVERNMENT
OPERATIONS AND HOUSING**

Regarding: HB 71 RELATING TO HIGH TECHNOLOGY, Tuesday, March 21,
2013 2:45 pm State Capitol, Conference Room 414

Dear Chair Taniguchi, Chair Dela Cruz, Vice Chair Kahele, Vice Chair Slom and Members
of the Committees on Higher Education, Economic Development, Government Operations
and Housing,.

The Hawaii Venture Capital Association **strongly supports** HB71 that requires the
University of Hawaii (UH) to extend the current land lease for the Manoa Innovation Center
(MIC) to the High Technology Development Corporation.

My name is Bill Spencer and I have been the President of the Hawaii Venture Capital
Association since 1999 and a board member since 1995.

I have seen the great value that the HTDC has provided to entrepreneurs and others in the
state through their excellent efforts and programs housed at the Manoa Innovation
Center. Governor Ariyoshi had an important vision for Hawaii based on his
understanding for the critical need to diversify our economy with a strong tech center.

The Manoa Innovation Center and HTDC were seen as critical building blocks toward
achieving his vision. The need still exists today and continues to benefit the high tech
entrepreneurial eco-system with great programs, training, education and below market
space that helps start-up companies go from research and development to
commercialization.

I encourage your committees to pass HB71 and keep this important facility and its
managing institution HTDC in place.

Thank you for the opportunity to offer testimony on this bill.

Sincerely,

Bill Spencer
President
Hawaii Venture Capital Association



Written Statement of
KARL FOOKS
President
Hawaii Strategic Development Corporation

before the
**SENATE COMMITTEES ON HIGHER EDUCATION
AND
ECONOMIC DEVELOPMENT, GOVERNMENT OPERATIONS & HOUSING**

Thursday, March 21, 2013
2:45 p.m. State Capitol, Conference Room 414

In consideration of

HB 71 RELATING TO HIGH TECHNOLOGY

Chairs Taniguchi and Dela Cruz, Vice Chairs Kahele and Slom, and Members of the Committees on Higher Education and Economic Development, Government Operations and Housing.

The Hawaii Strategic Development Corporation (HSDC) supports HB71 which requires the University of Hawaii (UH) to extend the current land lease for the Manoa Innovation Center (MIC).

The HTDC currently leases MIC from the UH and manages the incubation facility at the MIC, which was built by the State, under an agreement which expires in April 2015. The revenue generated through the incubation program provides the operating funds for the majority of the HTDC operation.

The MIC facility is an important component of Hawaii's entrepreneurial ecosystem as the small offices and flexible leases HTDC offers to entrepreneurs allows a business to grow and shrink to meet its needs. HTDC has also leveraged some of the larger offices into co-working spaces to allow even more startup businesses to take advantage of HTDC's services.

MIC's proximity to UH faculty and students makes it an ideal location to facilitate business and university interaction that will support successful efforts to commercialize UH research.

Finally, the mission of HTDC and the MIC is to promote economic development in the State. Supporting incubation facilities alone will not accomplish this objective. We recommend the Committees also consider a comprehensive policy that supports the continuum of entrepreneurialism, commercialization and business formation capabilities needed to foster high growth businesses. As part of an entrepreneurial ecosystem, MIC can be effective in creating sustainable high wage jobs.

Thank you for the opportunity to submit testimony on this bill.



Global Optima, Inc.

Written Statement of
Gail Ann M. Honda, MBA, Ph.D.
President & CEO
Global Optima, Inc.

before the
SENATE COMMITTEES ON HIGHER EDUCATION
AND
ECONOMIC DEVELOPMENT, GOVERNMENT OPERATIONS & HOUSING
Thursday, March 21, 2013
2:45 p.m. State Capitol, Conference Room 414

In consideration of
HB 71 RELATING TO HIGH TECHNOLOGY

Chairs Taniguchi and Dela Cruz, Vice Chairs Kahele and Slom, and Members of the Committees on Higher Education and Economic Development, Government Operations and Housing.

Global Optima, Inc. **SUPPORTS** HB71 which requires the University of Hawaii (UH) to extend the current land lease for the Manoa Innovation Center (MIC) to the HTDC.

My name is Gail Honda, President & CEO of Global Optima, Inc.

I was an HTDC board member from 2004 -2010, and witnessed first-hand the many benefits HTDC provided to technology start-ups and mid-level companies.

I served on the HTDC Federal Projects Committee for many years, and helped to evaluate Hawaii technology companies for Hawaii Small Business Innovation Research grants. When hearing and reading about how the grants were used and helped the businesses grow and create jobs and opportunities, I knew HTDC's mission to grow the state's technology industry was being fulfilled.

Retaining the Manoa Innovation Center as HTDC's home is critical to its continued success. MIC is located in Manoa, near the UH campus, which strategically provides for cross-pollination of ideas between academia and industry. From what I gathered, HTDC tenants at MIC were very happy with the management of their offices and the benefits (seminars, guest speakers, etc.) that HTDC provided. Many technology companies used the resources and favorable rent terms at HTDC to become successful enough to transition into market-rate office space and continue to contribute fully to Hawaii's economy.

Thank you for the opportunity to offer testimony on this bill.



2800 Woodlawn Drive #265
Honolulu, HI 96822

125 University Ave., Suite 125
Palo Alto, CA 94301

Chairs Taniguchi & De La Cruz
Committees on Higher Education & Economic Development, Government
Operations & Housing
House of Representatives,
State Capitol, Conference Room 414
415 Beretania Street
Honolulu, HI 95813

SUBJECT: TESTIMONY IN SUPPPORT OF HB71

Dear Chairs Taniguchi & De La Cruz & Members of HRE & EGH Committees:

On behalf of Startup Capital Ventures, the only venture capital firm with offices in Honolulu & Silicon Valley, we strongly support HB71. SCV has invested over five million dollars (\$5,000,000) in high-technology Hawaii startups, some of which started at MIC, and all of which are prospering.

SCV's office is at MIC due to its unique concentration of early stage startups. During any given week we typically meet with ten or more of these companies in our role as advisors and investors which has led directly to investors. We have also delivered numerous well-attended seminars.

To use an analogy, if Honolulu were Silicon Valley, MIC is its Palo Alto, and that is a key reason why SCV is in Hawaii.

HB71 ensures this invaluable resource to this high-wage / high-growth sector stays, to ensure the growth of this industry that can provide sustainable, high wage jobs to keep high-skill people here, and bring talented kama`aina home.

Mahalo for your consideration.

Timothy Dick / General Partner



March 20, 2013

Chairs Taniguchi and Dela Cruz
Vice Chairs Kahele and Slom
Members of the Committee on Higher Education
Members of the Committee on Economic Development, Government
Operations and Housing

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www.teachest.com
info@teachest.com

RE: HB 71 RELATING TO HIGH TECHNOLOGY

I would like to submit written testimony in **SUPPORT** of HB71 which requires the University of Hawaii (UH) to extend the current land lease for the Manoa Innovation Center (MIC) to the HTDC.

The location of HTDC in the MIC helps our business. We work with the College of Tropical Agriculture and Human Resources (CTHAR) and the Agribusiness Incubator Program on the UH Manoa campus which is nearby. The Hawaii Food Manufacturers Association, which we are a member, is also co-located in the MIC.

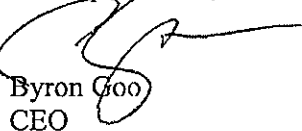
HTDC programs have helped our business grow in spite of tough economic conditions. They have helped us with capital formation, technical assistance and staff training.

Some segments of our business have grown dramatically. For example, in the last two years we have started exporting to Japan and Canada. This business has added 3 new staff positions in our company and directly contributes to 22 manufacturing and supply chain jobs in Hawaii and the US.

Please support HB71 to extend the lease for the MIC to HTDC.

Thank you for the opportunity to offer testimony on this bill.

Aloha pumehana,



Byron Goo
CEO

OHANA INVESTMENT WORKS LLC

Written Statement of

Yukiyo Tetsumura
Managing Director
Ohana Investment Works LLC

before the
SENATE COMMITTEES ON HIGHER EDUCATION
AND
ECONOMIC DEVELOPMENT, GOVERNMENT OPERATIONS & HOUSING

Thursday, March 21, 2013
2:45 p.m. State Capitol, Conference Room 414

In consideration of

HB 71 RELATING TO HIGH TECHNOLOGY

Chairs Taniguchi and Dela Cruz, Vice Chairs Kahele and Slom, and Members of the Committees on Higher Education and Economic Development, Government Operations and Housing.

Ohana Investment Works LLC **supports** HB71 which requires the University of Hawaii (UH) to extend the current land lease for the Manoa Innovation Center (MIC) to the HTDC.

My name is Yukiyo Tetsumura of Ohana Investment Works LLC

We are a virtual tenant of HTDC since 2010. HTDC has supported us not only as a tenant but also by seminars, workshops and various consultations.

The virtual office service is very favorable to those who are just starting a business. HTDC offers reasonable rent, and the office space has just upgraded.

As we have shared desks in the space, we can also meet with other startups and it is easy to be able to collaborate as other tenants are those in innovation or technology.

Our business is focusing on renewable energy technology. HTDC has been the best place to be a tenant, as they have University of Hawaii office, HREDV, SBDC and some companies in same industry, it helps us meet and chat with them as we are located in the same building, HTDC.

If HTDC is unable to extend the lease and is required to move to another place, most of the small business including us will face serious problems. The cost of the move will be painful and also the loss of this great building community will be the most painful for all of the tenants.

So We do highly "SUPPORT" HB71.

Thank you for the opportunity to offer testimony on this bill.



**SENATE COMMITTEES ON HIGHER EDUCATION
AND
ECONOMIC DEVELOPMENT, GOVERNMENT OPERATIONS & HOUSING**

Thursday, March 21, 2013
2:45 p.m. State Capitol, Conference Room 414

In consideration of

HB 71 RELATING TO HIGH TECHNOLOGY

To: Chairs Taniguchi and Dela Cruz, Vice Chairs Kahele and Slom, and Members of the Committees on Higher Education and Economic Development, Government Operations and Housing.

StartupHui LLC **SUPPORTS** HB71 that requires the University of Hawaii (UH) to extend the current land lease for the Manoa Innovation Center (MIC) to the HTDC.

My advisory firm directly supports startup entrepreneurs in early-stage product development, customer acquisition, revenue generation and fundraising. All of these startup companies strive for success and try to escape the default outcome of failure. Having a local foundation that is supportive of local startup entrepreneurs paves the way for startup entrepreneurs and their teams. These teams ship product and create quality jobs in Hawaii. Manoa Innovation Center is a large part of that foundation.

Having lived in Asia for 16 years where I started two successful companies, I visited government-sponsored tech incubators like MIC in Hong Kong, Singapore and Malaysia that served as hotbeds of technology innovation in their respective cities. I remarked to myself at the time why didn't Hawaii have a place like this. When I returned home in 2007, I often met entrepreneurs here in MIC. What a discovery. I had NO IDEA what was going on in my own backyard off Woodlawn Drive.

I later joined a startup that was renting a space in MIC. Two weeks ago, we held a Founder Institute exploratory ideation boot camp where 61 people showed up. It was standing room only. Because of MIC's help, we are now setting up a Hawaii chapter of Founder Institute. We could not have done this without the MIC team's help and incubator space.

Thank you for the opportunity to offer testimony on this bill.

Sincerely,
Russel Cheng
Founder, StartupHui LLC
Co-director, Founder Institute HI Chapter

March 20, 2013

Ryan Kawaiiani Ozawa
95-595 Kanamee St., #326
Mililani, HI 96789-1431
(808) 372-3372

Dear Senator Brian T. Taniguchi, Chair, Senate Committee on Higher Education; Senator Donovan M. Dela Cruz, Chair, Senate Committee on Economic Development, Government Operations, and Housing; and Honorable Senators:

I am writing to express my support of House Bill 71, relating to high technology.

As a lifelong geek and long-time supporter of the Hawaii tech community, I've closely watched the history of the Manoa Innovation Center, and have been fortunate to work and meet with many of its tenants over the last two decades.

The MIC is more relevant today than it has ever been to Hawaii. The center's mission and efforts are in line with the state's near universal goals of economic diversification, transitioning from service to knowledge-based industries, fostering local innovation, and the retention of home-grown talent.

Coupled with long-overdue and hard-won efforts in related areas, from launching startup accelerators to encouraging a wider range of investment opportunities in Hawaii-based technology and research, the MIC clearly plays an important role in the vital and diverse ecosystem that's needed to move Hawaii ahead in the 21st century.

The HTDC and MIC have only just scratched the surface of what they can do. Please ensure they can keep the momentum going beyond April 2015.

Mahalo,

Ryan

KEVIN SHIN

• 4372 Halupa Street Honolulu, HI 96818 • Email: kevnshin@gmail.com • Phone: (808)218-8735 •

January 5, 2011

Hawai'i State Legislature
Hawaii State Capitol
415 South Beretania Street
Honolulu, HI 96813

To the Hawai'i State Legislature:

My name is Kevin Shin and I am currently a Mechanical Engineering Student at the University of Hawai'i at Manoa (UH Manoa). I am writing this testimony in support of bill **HB71** regarding the extension of the University of Hawai'i's current land lease to the High Technology Development Corporation (HTDC).

Lately, there has been a lot of talk about entrepreneurship within the university and of the high tech sector here in Hawai'i. The goals of HTDC align perfectly with that of the university in regards to the university wanting to commercialize more research and create successful spinouts to stimulate the Hawai'i economy and bring recognition to UH Manoa. Not extending the lease, and allowing for the services provided by HTDC to not continue would be taking a step backward. From incubation spaces to professional services, HTDC provides valuable resources to budding entrepreneurs.

As a student and an aspiring entrepreneur, I think it would only make sense to pass bill **HB71**. We should not be undoing all the work that has been put into growing Hawai'i's technology sector over the past few years. Pass the bill, let HTDC help more entrepreneurs in the community and within the University of Hawai'i, and help grow Hawai'i's economy through the technology sector.

If you have any questions, please contact me at (808)218-8735 or kevnshin@gmail.com.

I look forward to the passing of this bill.

Sincerely,
Kevin Shin



Written Statement of

**Leroy W Harris Jr.
President & CEO
HITmethods Inc.**

before the
**SENATE COMMITTEES ON HIGHER EDUCATION
AND
ECONOMIC DEVELOPMENT, GOVERNMENT OPERATIONS & HOUSING**

Thursday, March 21, 2013
2:45 p.m. State Capitol, Conference Room 414

In consideration of

HB 71 RELATING TO HIGH TECHNOLOGY

Chairs Taniguchi and Dela Cruz, Vice Chairs Kahele and Slom, and Members of the Committees on Higher Education and Economic Development, Government Operations and Housing.

HITmethods Inc SUPPORTS HB71 which requires the University of Hawaii (UH) to extend the current land lease for the Manoa Innovation Center (MIC) to the HTDC.

My name is Leroy W Harris Jr., President & CEO, HITmethods Inc and we fully support the efforts of keeping the HTDC in place to support new and growing businesses such as ours and by being a part of the HTDC gives customers the effect that our business is a part of the growth & plans for future business in Hawaii. We have also, benefited from the seminars & workshops held at the Center and it has provided a very clean and professional business facility to bring potential customers and clients.

Hawaii remains a potential silicone valley oasis in the Pacific and we must continue to build innovations and technology that attacks projects and opportunities that will ultimately improve our great State.

Thank you for the opportunity to offer testimony on this bill.

Mahalo & Sincerely,

Leroy Harris

March 20, 2013

To: The Honorable Brian T. Taniguchi, Chair
The Honorable Gilbert Kahele, Vice Chair
Members of the Senate Committee on Higher Education
The Honorable Donovan M. Dela Cruz, Chair
The Honorable Sam Slom, Chair
Members of the Senate Committee on Economic Development, Gov't Operations and Housing

Re: HB71, requiring the University of Hawai'i to extend the current land lease with the HTDC: **Support**
Hearing date: Thursday, March 21, 2013
Hearing time: 2:45 P.M.
Conference Room 414

Aloha Committee Members:

For nearly 20 years I have participated in, founded, and invested in high-tech startups in both Silicon Valley and Honolulu. I am no stranger to innovation - last year Sprout, a Manoa Innovation Center-based company I co-founded, was acquired by InMobi, a global mobile advertising company that was recently named one of the top 50 disruptive companies in the world by MIT Technology Review. I am currently InMobi's Chief Designer.

I began working at the Manoa Innovation Center in 1993 as a student at Honolulu Community College, where I built Hawai'i's first Web site. When I came back here after five years in Silicon Valley to start a company, the Manoa Innovation Center was my number one choice of location and would still be today.

Why? It offers proximity to a variety of other startups, stores, and 24-hour services in a combination that is unparalleled by any other area on Oahu. It's located in a walkable, bikeable, beautiful, inspiring, and quiet area that is close enough to H1 to host convenient business meetings and seminars with others across the island. It has fast and easy access to the university campus - from which one can recruit, hire, and train interns as well as new employees. There is simply no other existing or planned office complex, technology park, or business accelerator in the state with this mix of attributes.

I've seen first-hand how a handful of people can grow Internet-based companies that in time become major economic drivers. But this can only be done in environments that foster creativity, collaboration, and very hard work, which is exactly what the Manoa Innovation Center was built for. We cannot afford to lose a place with so much potential. I strongly support HB71.

Thank you for your consideration,

Kevin Hughes
Chief Designer, InMobi
2002 University of Hawai'i Distinguished Alumni

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, March 20, 2013 1:57 PM
To: HRETestimony
Cc: bchua@hibeam.org
Subject: *Submitted testimony for HB71 on Mar 21, 2013 14:45PM*

HB71

Submitted on: 3/20/2013

Testimony for HRE/EGH on Mar 21, 2013 14:45PM in Conference Room 414

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Bee Leng Chua | HiBEAM | Support | No |

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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Written Statement of

**<Kevon Borowski, Mike Roscoe Rudd>
<Account Executive & Branding Partner>
<Graphic Creative>**

before the
**SENATE COMMITTEES ON HIGHER EDUCATION
AND
ECONOMIC DEVELOPMENT, GOVERNMENT OPERATIONS & HOUSING**

Thursday, March 21, 2013
2:45 p.m. State Capitol, Conference Room 414

In consideration of

HB 71 RELATING TO HIGH TECHNOLOGY

Chairs Taniguchi and Dela Cruz, Vice Chairs Kahele and Slom, and Members of the Committees on Higher Education and Economic Development, Government Operations and Housing.

<Graphic Creative> SUPPORTS HB71 which requires the University of Hawaii (UH) to extend the current land lease for the Manoa Innovation Center (MIC) to the HTDC.

My name is <Kevon Borowski and Mike Roscoe Rudd <Account Executive, Graphic Creative>.

<Graphic Creative supports the HB71>

The HTDC has been a valuable resource to our start up company here in Hawaii. They have provided a great foundation in which Graphic Creative has been able to build upon. The HTDC provides us with an incubation facility to have professional meetings and conferences that is hard to find elsewhere. The resources they have provided Graphic Creative is very much appreciated and has impacted our company in a positive way.

The staff here is very knowledgeable and helpful. They have helped us get involved in a events like Entrepreneurs day that have lead to valuable connections. It has also led to projects and help with Graphic Creative's business plan from the SBDC. All around the HTDC is a great resource for start-up companies in Oahu.

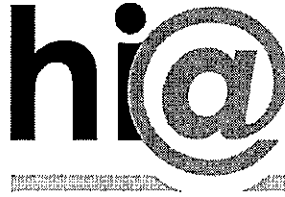
The HTDC caught our eye in the beginning because of how up-kept, quiet, and professional the grounds and work environment at the MIC is. It is clean, secure, and well equipped. On top of that the conference rooms are a huge plus.

The HTDC hosts a number of tech and application companies that are utilizing the space at the MIC. Because of this close relationship between the incubator (the HTDC) and the company we have been introduced and have had very informative meetings with several of them so far.

Future benefits of the HTDC include all kinds of new connections between influential business people in the Honolulu area, MIC and outside.

Ourselves, as well as the rest of Graphic Creative believe that the HTDC is a great incubator for start-ups in Hawaii and should continue.

Thank you for the opportunity to offer testimony on this bill.



March 20, 2013

Committee on Higher Education
Senator Brian T. Taniguchi, Chair
Senator Gilbert Kahele, Vice Chair

Committee on Economic Development, Government Operations and Housing
Senator Donovan M. Dela Cruz, Chair
Senator Sam Slom, Vice Chair

Committee: Testimony to the Senate Committee on Higher Education and Committee on
Economic Development, Government Operations and Housing

Bill: HB 71, Relating to High Technology

Date/Time: Thursday, March 21, 2013 at 2:45 PM

Location: Conference Room 414, State Capitol

Chairs Taniguchi and Dela Cruz, Vice Chairs Kahele and Slom, and Members of the
Committees on Higher Education and Economic Development, Government Operations and
Housing:

I am Jared I. Kuroiwa and one of the founding members of the Hawai'i Innovation Alliance (HIA). The Hawai'i Innovation Alliance is an organization formed in 2012 that aims to create a more unified voice representing the islands' innovation community to foster innovation, educate lawmakers, and advocate appropriate policy.

The Hawai'i Innovation Alliance **strongly supports HB 71, Relating to High Technology** that requires the University of Hawai'i to extend the current land lease with the High Technology Development Corporation for no less than 25 years from the date of expiration of the existing lease.

The Hawai'i Innovation Alliance has worked closely with the High Technology Development Corporation in supporting the high tech industry in Hawai'i. It is our belief that the proximity to the University of Hawai'i at Mānoa is key in HTDC building the relationships necessary for growth in our sector.

Thank you for the opportunity to submit testimony on this bill.

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, March 20, 2013 2:37 PM
To: HRETestimony
Cc: hawaiiifish@gmail.com
Subject: Submitted testimony for HB71 on Mar 21, 2013 14:45PM

HB71

Submitted on: 3/20/2013

Testimony for HRE/EGH on Mar 21, 2013 14:45PM in Conference Room 414

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|--|---------------------------|---------------------------|
| Ron Weidenbach | Hawaii Aquaculture and Aquaponic Association | Support | No |

Comments: HTDC is critical to the support and continuation of the Hawaii technology industry, including of many in the aquaculture industry who conduct innovative research through the Federal Small Business Innovative Research (SBIR) program that has brought millions of research dollars to Hawaii and the commercialization of resulting innovative technologies. But just as HTDC is critical to the Hawaii tech industry, so is the Manoa Innovation Center (MIC) critical to HTDC's continued viability and mission. The HAAA therefore strongly supports this measure to assure MIC's long term lease in Manoa for their present facilities they constructed and have so successfully managed. We urge passage of this important bill.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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Written Statement of
Edmund H. Oshiro

before the
**SENATE COMMITTEES ON HIGHER EDUCATION
AND
ECONOMIC DEVELOPMENT, GOVERNMENT OPERATIONS & HOUSING**

Thursday, March 21, 2013
2:45 p.m. State Capitol, Conference Room 414

In consideration of

HB 71 RELATING TO HIGH TECHNOLOGY

Chairs Taniguchi and Dela Cruz, Vice Chairs Kahele and Slom, and Members of the Committees on Higher Education and Economic Development, Government Operations and Housing.

I, Edmund H. Oshiro **SUPPORT** HB71 which requires the University of Hawaii (UH) to extend the current land lease for the Manoa Innovation Center (MIC) to the HTDC.

I support the extension of the current land lease for the MIC to the HTDC for several reasons. The first, any movement of the MIC to another location will require more monies than the state of Hawaii can afford at this time. Secondly, if the management of the University of Hawaii fiscal budget was managed more efficiently, than I would be more inclined to agree with the termination of the lease agreement with MIC. But, there is much work that needs to be done in improving the budget management for the University of Hawaii at Manoa and it's community colleges.

Thank you for the opportunity to offer testimony on this bill.

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, March 20, 2013 9:09 PM
To: HRETestimony
Cc: jay@fidell.com
Subject: Submitted testimony for HB71 on Mar 21, 2013 14:45PM

HB71

Submitted on: 3/20/2013

Testimony for HRE/EGH on Mar 21, 2013 14:45PM in Conference Room 414

| Submitted By | Organization | Testifier Position | Present at Hearing |
|--------------|--------------|--------------------|--------------------|
| Jay Fidell | Individual | Support | No |

Comments: Dear Chairs and Members of the Committees: I am president and founder of ThinkTech Hawaii, Inc. I support HB71 and urge you in the strongest possible terms to pass it. MIC needs the lease extension in this bill, and it needs to continue to operate at Manoa Innovation Center. MIC is critical to its future and thus to the future of tech startups and the tech industry in our state. The University does not need and is not likely to make good use of MIC. To allow MIC to go to the University at this point would be a terrible waste and would send a terrible message to the community and the younger generation - that the state doesn't care about tech startups or the tech industry. HTDC and MIC have never worked as well as they do now under the brilliant and dedicated leadership of Yuka Nagashima. I can tell you - I was chair of HTDC in the early 2000s under Linda Lingle. Don't lose the huge benefits and prospects of what HTDC can do at MIC. Allow this extension. If you don't, I would be gravely concerned for the future of both HTDC and MIC and the future of the tech industry in our state. This is a bill with huge effect, one way or the other, and should not be taken lightly. Thanks for your consideration of my testimony. Best, Jay Fidell 780-9254

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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Advocates For Consumer Rights

Working for Hawaii's consumers since 1994

Scott Foster, Communications Director

808-988-0555 <afcr@hawaii.rr.com>

Testimony For Thursday, March 21, 2013

SUPPORTING HB71 "Relating to high technology"

2:45 p.m.

Conference Room 414

State Capitol

COMMITTEE ON HIGHER EDUCATION

Senator Brian T. Taniguchi, Chair

Senator Gilbert Kahele, Vice Chair

COMMITTEE ON ECONOMIC DEVELOPMENT, GOVERNMENT OPERATIONS AND HOUSING

Senator Donovan M. Dela Cruz, Chair

Senator Sam Slom, Vice Chair

Aloha Honorable Chair, Co-Chairs, and Committee Members;

My name is Scott Foster and I am the Communications Director of Hawai'i Advocates For Consumer Rights. Our 19-year old, statewide organization was co-founded by Mr. Ralph Nader and we continue to research and testify on public-policy issues such as the future of Hawai'i's internationally respected *Manoa Innovation Center* (MIC).

After reading the complete testimony during the recent House hearings on HB71, we were impressed by the many documented accolades from the impressive list of supportive testifiers. However, we were greatly disappointed by the *only* testimony against HB71 which came from the University of Hawai'i System via James, R. Gaines, Vice-President for Research.

At 70, a technology “Geek” before there was a word for it and as a Manoa resident, I am very familiar with MIC’s history of great successes and its strong international reputation. Please do not allow the UH to in any way disrupt the collaborative, creative work taking place at the MIC.

Creativity and innovation in technology which produces valuable intellectual property remain America’s greatest advantage in the world economy and it will no doubt continue to be one of our nation’s major economic drivers. MIC has been described as “Hawaii’s Silicon Valley” and we at AFCR concur.

It gives us no pleasure to note the continuing examples of negative news filtering out of the UH of late. In our minds, any action the UH might take to relocate or otherwise disrupt the MIC as it currently exists would be ill-advised and add to the UH’s sad litany of admitted bad decisions. One might believe that the UH could certainly find other locations on their vast Manoa campus to house their speculated “research growth” needs instead of destroying an institution that has established such an enviable track record over the past quarter of a century. Please see that MIC’s lease is renewed for another 25 years.

Mahalo for your time and kind consideration.

Scott Foster,
Communications Director
Hawai`i Advocates For Consumer Rights



Written Statement of

Attila Seress
Owner
SOS Tech Solutions

before the
**SENATE COMMITTEES ON HIGHER EDUCATION
AND
ECONOMIC DEVELOPMENT, GOVERNMENT OPERATIONS & HOUSING**

Thursday, March 21, 2013
2:45 p.m. State Capitol, Conference Room 414

In consideration of

HB 71 RELATING TO HIGH TECHNOLOGY

Chairs Taniguchi and Dela Cruz, Vice Chairs Kahele and Slom, and Members of the Committees on Higher Education and Economic Development, Government Operations and Housing.

My name is Attila Seress, Owner of SOS Tech Solutions and we are currently in HTDC's incubation program at the Manoa Innovation Center. Based on my experience with the program and its facilities, I am **in favor of measure HB71** to extend the land lease for the Manoa Innovation Center (MIC) to the HTDC.

I would like to speak from the perspective of a small business owner who is currently in HTDC's incubation program at the Innovation Center. My company has created a unique product - interactive touch screen displays for luxury living and educational communities. I started with a passion to create a product that understood the needs of others and used technology to solve problems. Unfortunately, passion alone is not enough to succeed.

Prior to admittance to the program we were operating from a rented storage unit and were focused on survival instead of growth. HTDC provided the means to change my vision into reality. Since being admitted to the program nearly a year ago, gross revenues have increased roughly 36% and we have been able to complete and launch several new products. My projections for 2013 include doubling our staff and over a 100% increase in revenue from mainland clients. HTDC has given me the guidance to build the business and help provide exposure through such mediums as trade shows and personal introductions. They have even facilitated introductions that have given our products airtime on television and radio.



I am sincerely grateful for the opportunities and growth we have experienced in only such a short time at the Innovation Center. I am happy to make the commute from Ewa Beach, spending hours in traffic each day, away from family to build the vision of our company and improve the state of Hawaii's economy.

In closing, this is a unique program that has benefitted my company in ways that I simply could have not have gotten anywhere else. It is an invaluable program whose loss would be simply immeasurable to future generations. Once my two children are old enough to enter the workforce I would be proud to introduce them to a Hawaii where there are well paying, intellectually challenging, innovative companies that they can work for where their efforts will make a difference.

Thank you for the opportunity to offer testimony on this bill.

Sincerely,

Attila Seress

Owner, SOS Tech Solutions