



Vision & Purpose

- Issue 1 is a statewide ballot measure that would authorize renewal and continuation of the highly successful Ohio Third Frontier (OTF) program. OTF is a visionary public-private partnership created in 2002 with bipartisan legislative leadership and support as well as widespread editorial support. **The purpose of OTF is to firmly establish Ohio as an innovation leader and to fuel long-term economic growth and create jobs in our state.**
- OTF targets state investments to promising industries, technologies and entrepreneurs. The initiative is directed by a bipartisan, appointed advisory board and commission. **Funds are awarded through a competitive process** in which independent experts review proposals and assure a base level of excellence for all projects.
- With a 10-year initial life and an initial commitment of \$1.6 billion, **OTF has emerged as the centerpiece of Ohio's technology-based economic development and job creation efforts.**
- The bond funding mechanism for OTF, approved by Ohio voters in 2005, expires in 2012. On Feb. 3, 2010, the Ohio General Assembly authorized a bond measure on the May 2010 ballot at a level of \$700 million over four years. Support for placing the bond issue on the ballot was strong and bipartisan (30-2 in the Senate, 83-14 in the House).

Proven Results¹

- OTF has created **48,000 jobs** (through June 2009) and is on track to achieve job-creation projections. In particular, employment in high-tech sectors in Ohio grew significantly from 2004 through 2008 and at a faster rate than in almost all other Midwestern states.
- OTF has created, attracted or capitalized **571 start-up companies** (through June 2009).
- OTF has attracted **\$3.2 billion in follow-on dollars** (federal, state, local, private and foundation funds) on top of the \$473 million it has expended (through June 2009) on technology-based programs.
- OTF has produced more than **\$6.6 billion in total economic impact** in Ohio (through Dec. 2008).
- OTF's total **return on investment** has averaged **22 percent** per year over the life of the initiative.
- **Product sales** from OTF-funded projects have grown to **\$440 million per year** (through June 2009) and are estimated to total at least **\$900 million by 2013.**
- **Licensing income** earned by Ohio's leading research institutions more than doubled from 2002 to 2007, rising from \$16 million to **\$40 million.**
- From 2002 through 2008, Ohio's **research base** increased more than **60 percent**, from \$1.1 billion to **\$1.8 billion.**
- From 2003 through 2008, **venture capital investment** in Ohio grew almost **2.5 times faster** than in the U.S. – **20.4 percent per year** compared to 8.6 percent per year.
- **50 percent** of the State's OTF investment to date (through Dec. 2008) has been **repaid through tax receipts.** The original investment, now projected to be \$1.35 billion, is forecast to be fully **repaid by 2014.**

¹ Data sources derived from recent independent analyses by SRI International and the Ohio Business Roundtable

The Case for Renewal

- OTF has lived up to its commitment, delivering measurable results and an impressive return on investment. It is fostering innovation, attracting substantial follow-on dollars, generating economic activity and creating companies and jobs in high-tech industries. **In this challenging economy, renewing OTF is both necessary and warranted.**
- OTF has received national acclaim from respected organizations such as the National Governors Association and Pew Center for the States, which calls OTF “. . . a comprehensive, professionally run effort to build world-class research capacity, promote interaction between research and industry, and commercialize R&D.”