

A grid of approximately 80 diverse people's faces, arranged in 8 rows and 10 columns. The entire image is overlaid with a semi-transparent red color. The text 'OUR DECISIONS TODAY' is centered in the top half, and 'IMPACT OUR TOMORROW' is centered in the bottom half.

OUR DECISIONS TODAY

IMPACT OUR TOMORROW

for Oklahoma



Legislators, EDGE board members and community leaders are asked to be good stewards of the taxpayers' money. Legislators must allocate the budget with an eye on three different objectives: saving, spending and investing. They must save for a rainy day, spend funds on immediate needs such as roads and schools, and invest in longer-term projects that will grow and diversify Oklahoma's economy. **Investing in EDGE means that in 10 years Oklahoma will be in a better position than we are today.**



Currently, Oklahoma ranks 36 in high-tech workers and our average wage ranks 44. In nearly all rankings that indicate a strong economic future, Oklahoma ranks in the bottom third. As we grow and recruit top talent and companies, the low cost of living won't be enough to keep them here.

We have to do more to get more.

As an investment, most of the results of the EDGE endowment won't be evident until 5, 10 or 15 years down the line. However, after spending \$7.4 million in one and a half years, EDGE is already making a difference in the lives of Oklahomans and the success of our great state.

266 jobs created

\$18.3 million in leveraged grants and funds

\$7.4

M I L L I O N

6 new companies

"The EDGE endowment provides invaluable support to emerging industries and startups in Oklahoma," said **Larry Nichols, Executive Chairman of Devon Energy.**

"At the same time, many of these projects help Oklahoma's anchor industries such as oil and gas by providing advancements in the field."

EDGE funds breakthrough science and technology projects when they need it most – once they've proven their idea with initial research but before the venture capital funds and resulting commercialization that come with it. The state of Oklahoma created the EDGE endowment with an initial investment of \$150 million. EDGE's Policy Board uses the earnings from the endowment to fund the most promising projects.

The EDGE policy board carefully evaluates potential projects and completes a rigorous process before awarding the funds to the projects that are most likely to succeed and have an impact on Oklahoma.

Results



The number of jobs created, the amount of leveraged funds and the new companies started with the help of EDGE will increase significantly over the next decade. In fact, one Oklahoma company just leveraged EDGE funds to receive a **\$44.2 million contract with the U.S. Navy** over the next 5 years.

Based in Ponca City, the **University Multispectral Laboratories (UML)**, in conjunction with Oklahoma State University, created a testing facility for unmanned aerial vehicles (UAVs) at Fort Sill in Lawton. They are testing and producing sensor and security systems with a wide range of uses: providing military security, patrolling the borders, surveying cattle and preventing airplane crashes.

In addition to the recent Navy contract, UML received \$2.6 million in funds from the Department of Defense and \$115,000 in commercial contracts. They are drawing national attention to Lawton because of the unique resource available—unrestricted airspace. This is a valuable resource for out-of-state companies that will pay to come to Lawton to test their own products.

Economic development in science and technology will lead to:

- More ideas**
- More companies**
- More high-paying jobs**
- More top professionals**
- More out of state investment**
- More tax revenue**
- More for Oklahoma**

“The astute scientists and business leaders who select the EDGE projects give credibility. When a project receives an EDGE award, it attracts the attention of out-of-state venture capitalists such as my company,” said ***Thomas Harlan, CEO of Emergent Technologies.***



Energy



Imagine what it would do for Oklahoma if we doubled our oil production. It could happen—the University of Oklahoma’s Dr. Jeff Harwell and his team at the Institute for Applied Surfactant Research created a groundbreaking technology to get significantly more oil out of the ground, leaving less waste and increasing production. As a major portion of the Oklahoma economy, this could bring in much more tax revenue and lower energy costs.

There would be an increased demand for more employees to extract and refine the oil and provide support functions. More companies would be needed to support the expanding industry and production growth.

The **Institute for Applied Surfactant Research** leveraged its EDGE funds to partner with **Mid-Con Energy in Tulsa**. This partnership provides the Institute with the research funding it needs to complete testing as they near the commercialization stage. Mid Con Energy will be able to use this technology to generate more profits from their company and expand their offerings. The partnership has already created approximately 20 jobs in the Oklahoma City and Tulsa areas.

Surfactants have multiple uses, and in addition to retrieving more oil, they also serve as cleaners. The Institute recently received funding from an out-of-state company hoping to use some of the technology in their cleaning products.

The Department of Energy has provided additional funding as a result of the Institute’s research success after they received the EDGE funding. The Institute has now received \$555,820 in leveraged funds.

“With about two-thirds of the original oil still in place, using surfactant technology in older reservoirs has the potential to increase oil production and decrease the need to drill new wells as the country develops and transitions to renewable fuels,” said **Dr. Charles Hammond, Research Associate at Sasol North America Inc.**

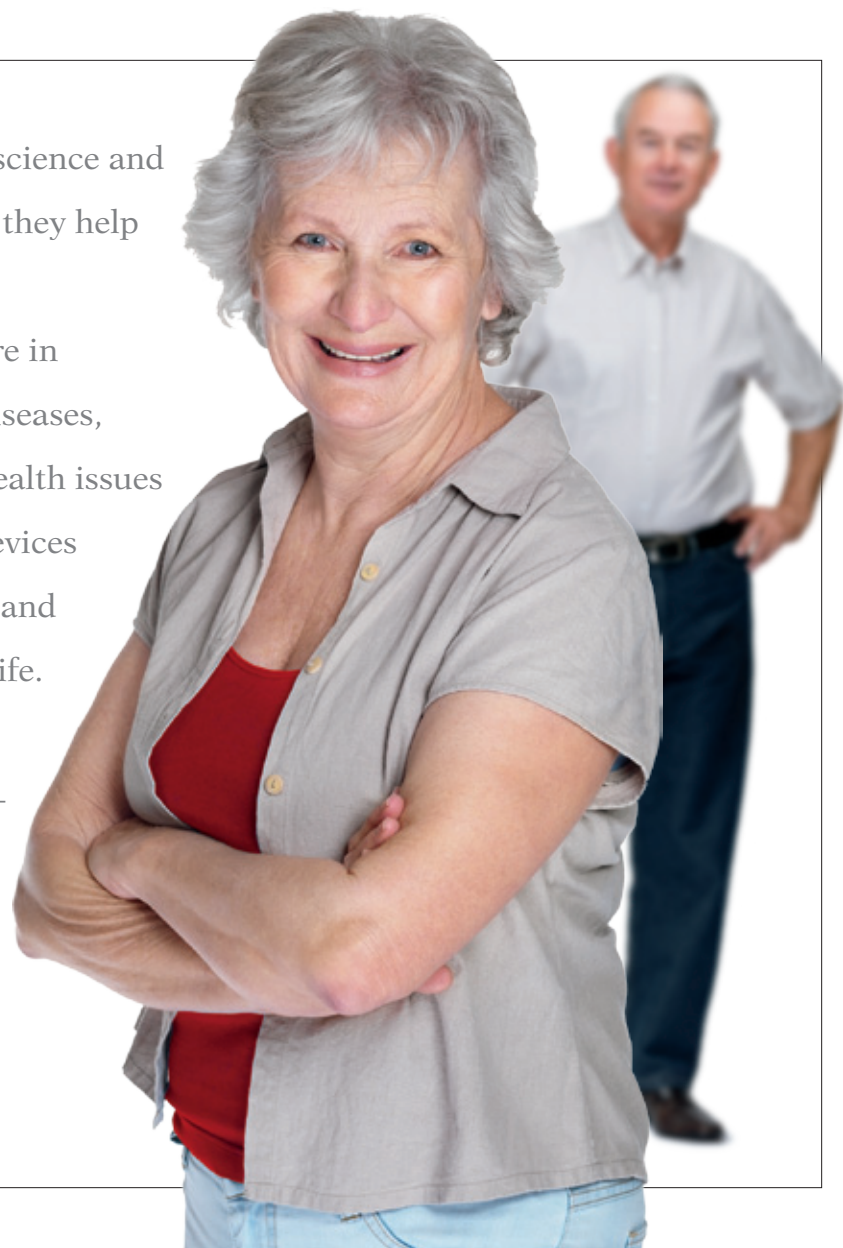


Out of Life

The true benefit of science and technology is that they help us get more out of life.

Advancements right here in Oklahoma are curing diseases, discovering causes of health issues and creating medical devices that will help save lives and enhance the quality of life.

These breakthroughs affect all Oklahomans—everyone who has suffered from a debilitating disease or watched a loved one suffer.

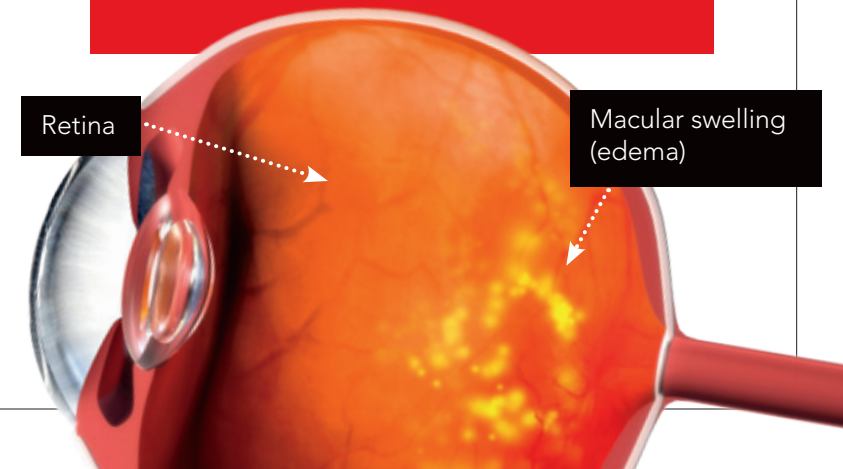


The obesity rate in Oklahoma is expected to hit 56.1% in 2018. That means we'll likely see a large increase in the number of residents suffering from diabetes. In 2008, EDGE helped fund startup company **Charlesson**, which developed a drug for diabetic macular edema (DME). DME causes blindness and has no current treatment. More Oklahomans and people around the world will get more out of life by having their vision restored with the research Charlesson is doing.

More growth and success for Charlesson:

- Completing clinical testing for a drug to treat DME, restoring vision for those suffering with this condition
- Recognized by *Inc. Magazine* as one of the top 500 fastest-growing private companies in the U.S. in 2009
- Ranked as the eighth fastest-growing private company in the Oklahoma City metro area in 2009
- Created more than 20 jobs so far
- Developed three subsidiary companies, spurring more growth
- Leveraged EDGE funding to receive a \$475,380 grant from the National Institutes of Health

“Biomedical researchers in Oklahoma have a great track record of making discoveries that have the potential to change lives. But the capital to develop those advances into treatments for human disease has not always been there,” said **Dr. Stephen Prescott, President of the Oklahoma Medical Research Foundation**. “Thanks to the EDGE fund and the legislative support it has received, our scientists now can transform those breakthroughs into life-changing medications for Oklahomans and people everywhere.”



Success



The EDGE Policy Board is committed to the future of Oklahoma, focused on being a good steward of the EDGE endowment, and adheres to the following principles to guide decisions and ensure they do what is best for Oklahoma.

EDGE Principles

- EDGE brings Oklahoma's business and research together to create technologies that can be commercialized for new businesses and jobs in our state.
- EDGE makes targeted investments that are large enough to give Oklahoma technologies and businesses a competitive advantage.
- EDGE will not choose "winners" and "losers" among Oklahoma's business sectors.
- EDGE will only invest in projects that exhibit high quality technical and accomplished business expertise
- EDGE funding will only be made after rigorous review in a competitive process.
- The review process of EDGE proposals must include multiple perspectives on technology commercialization and creation of jobs in Oklahoma.
- EDGE will only fund projects that are judged to be of high quality based on national standards.
- Progress and success of EDGE projects must be measured and these measurements must be conveyed to the citizens of Oklahoma.
- The EDGE program must be open and invite proposals from all eligible applicants.
- The EDGE program must build research and technology-based business capacity in Oklahoma
- The EDGE program must be dynamic, constantly using new techniques to increase technology-based economic development.
- The EDGE program must have a plan for increasing innovation and technology in Oklahoma.

EDGE Policy Board

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Companies

Pre-proposals received for 2010: **62**
Full proposals requested for 2010: **12**
Total funding requested by the
pre-proposals for 2010: **\$85,302,225**

Geographical distribution of pre-proposals:

2010 Submissions

1	Ardmore
1	Chickasha
1	Claremore
1	El Reno
1	Langston
8	Norman
21	Oklahoma City
1	Okmulgee
1	Ponca City
14	Stillwater
1	Tishomingo
10	Tulsa
1	Vici

Funding requests distributed on
November 9, 2010: **\$5.4 million total**
(*\$1.8 million each to Biolytx, Enterprise
Electronics Corporation and Pure Protein*)

Advisory Committee

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