

NJBIA

AT ISSUE *By Melanie Willoughby, Senior Vice President*

Making Innovation Work for NJ Businesses

Every state wants to be home to the “next big thing,” the new technological or innovative breakthrough that’s going to take the nation by storm. Being home to such companies can pay big economic dividends to a region. Just look at Redmond, Washington (home to Microsoft Corporation), or the Silicon Valley in California. Unfortunately, it’s difficult to predict where the next big thing is going to come from. At NJBIA, we’re working with other groups to do the next best thing—create an environment conducive to the kind of innovation that will make us home to the next Facebook or Google.

Last year, NJBIA joined with the Healthcare Institute of New Jersey and dozens of other businesses, associations, and institutions of higher education to form the InnovationNJ Coalition. The coalition’s goal is to expand and strengthen the culture of innovation in New Jersey and foster more partnerships between business and academia. The idea is to break down the barriers that prevent colleges and universities from collaborating with private-sector businesses, and to work with Governor Chris Christie’s Administration and the state Legislature to create a pro-innovation environment.

A detailed report with recommendations on how to do this was produced by NJBIA’s research affiliate NJPRO (the New Jersey Policy Research Organization) Foundation. The report, *Building Bridges between Academic Institutions, Business and Government to Bring Innovation to the Marketplace*, provides a detailed roadmap of what New Jersey can do to raise its innovation profile.

InnovationNJ is working with NJPRO to convene focus groups on chemistry, energy, food and nutrition, technology, transportation, healthcare, engineering, pharmaceuticals, high-tech and bio-tech. The focus groups will examine ways to foster relationships with New Jersey’s colleges and universities. The goal is to learn more about partnerships that are already working in New Jersey as well as what other states are doing.

The coalition has also posted a web site to enable businesses and institutions of higher education to interact with each other. The site, www.innovationnj.org, provides a master calendar so all members can post their events; a directory of members with links to their web

sites; a “What’s New” section to showcase members’ research and other news; and a section for members to blog on innovation.



>InnovationNJ aims to make **New Jersey home to the next big thing.**

The Christie Administration recognizes the importance of supporting innovation. His proposed budget calls for lifting the cap on the research-and-development tax credit, allowing companies to deduct more of their research expenses. It also proposed fully funding the Technology Business Tax Certificate Transfer Program, which lets companies sell their unused R & D tax credits to other technology companies.

New Jersey has a firm base in innovation. It is already home to some of the most important pharmaceutical research and development in the nation. The state ranks 4th in the nation in its ability to support innovative, high-tech companies, according to the Information Technology and Innovation Foundation. And despite the weak economy, New Jersey’s biotechnology industry—an industry that needs to continually innovate in order to survive—has been booming. Between 2007 and 2010, New Jersey biotechnology companies added 5,000 jobs.

New Jersey should not take this kind of growth for granted, however. Other states are competing for the same kind of high-tech companies and the good-paying jobs they provide. InnovationNJ is an important tool that we can use to keep New Jersey competitive. **NJB**