REMARKS BY GEORGIA TECH PRESIDENT G. WAYNE CLOUGH
Joint Economic Development Study Committee
Georgia General Assembly, December 13, 2007

• Pleased to welcome you to GT.

• As move to an economy based on knowledge and innovation, universities are increasingly called upon to become drivers of economic development.
  o Educate skilled workforce
  o Conduct research that discovers new knowledge, generates new technology

• Georgia Tech widely recognized around the nation as very good at it – important part of our mission for over 100 years.
  o Created by state law in 1885 to help state move from economy based on agricultural to industrial economy.
  o Today – helping Georgia move to high-tech, innovation-based economy.

• Of course, involves spinning new companies out of our research labs.
  o GT has the largest research program of any Georgia university. Among top 5 U.S. universities without med school.
  o Have a streamlined process to identify research with commercial potential and move it into marketplace.
  o Create average of 10 new companies a year, have done as many as 15.

• But important reality of today’s global economy: No low-tech companies.
  o Every Georgia company must learn to compete based on innovation, rather than low cost.
  o GT surveys Georgia manufacturers every 2-3 years. Result = manufacturers who compete based on innovation rather than cost pay higher wages, earn higher profits.

• Goal of the state’s Traditional Industries Program, based here at GT = help Georgia’s existing industries transition into a high-tech economy.

• Food processing industry a good example.
  o Georgia always been agricultural.
  o Challenge = build a value-added industry base that employs Georgians to process agricultural crops, rather than simply shipping them to processing plants outside the state.
  o Growing opportunity – people want nutritious foods, but don’t have a lot of time to spend preparing them. Eg. 40 years ago, 83 percent of poultry market was simply whole broilers. Today, almost 90 percent is processed.

• Past 2 decades – Georgia’s food processing industry grew faster than national average, both in employment and value of products. GT proud to support that growth through Georgia Tech Research Institute.