



National Center for Manufacturing Sciences

GLOBAL BUSINESS INCUBATION

MEMBER OF

**The Manufacturing Application
and Education Network**

NCMS Initiative Aligns with Obama's Advanced Manufacturing Partnership

President Obama kicks off the Advanced Manufacturing Partnership (AMP), a national collaboration between the government, industries, and universities to invest in cutting-edge technologies, create new jobs and bring about a renaissance in American manufacturing.

The public and private sectors will partner to lead the resurgence of American manufacturing, creating new technologies and most importantly, jobs.

NCMS will work continue to work with other national organizations, the White House, and our consortium members to realize these goals.

The Manufacturing Application and Education Network: An Economic Revitalization Plan for America

The National Center for Manufacturing Sciences, Inc. (NCMS) has an economic development plan for America.

- True economic growth in America hinges upon the creation of manufacturing jobs - jobs which, in turn, have a broad ripple effect on other segments of the economy (see chart). Although small and medium-sized manufacturers (SMEs) will account for 90 percent of U.S. job growth in the next ten years, they face the most significant competitive challenges.
- Experts agree that economic development is a complex process which centers on providing manufacturers the tools that they need to be globally competitive - an efficient technology adoption mechanism, a world-class educational system, a well-equipped work force, and technical assistance.
- To date, no comprehensive national economic development strategy has been implemented in America.

NCMS[®] not only has an economic development plan for the nation, but a comprehensive proven solution - a solution that stands poised for implementation.

The MAEC Network: A Comprehensive Solution to Economic Development

The NCMS plan for economic development is aimed at keeping small and medium-sized manufacturers in business - and globally competitive - through a comprehensive national network of teaching facilities called Manufacturing Application and Education Centers (MAEC).

- The MAEC network is the culmination of a four-year effort focused on bolstering the competitiveness of America's SMEs. The concept reflects the realization that manufacturing has an important role in a strong economy.








- NCMS performed an intensive review of the teaching factory concept as it has been employed around the world - and then, benchmarked against them:
 - Japan's 170 company-focused technology support centers, or Kohsetsushi
 - Singapore's worker-focused facilities
 - Germany's Fraunhofer Gesellschaft, 40 technology-focused contract R&D centers
 - State programs in the United States
 - Regional initiatives in the United States
- NCMS has set up and successfully tested its teaching factory model in this country. The approach has been refined and enhanced based on four years of beta testing at prototype sites.
- The NCMS concept makes it possible for federal, state and local entities to combine their efforts in economic development.

The NCMS Advantage

The NCMS teaching factory concept is unique. While it is a concept that incorporates the "best of the best" from around the world, the MAEC network features several attributes not found elsewhere in a single economic development package.

- The MAEC concept is *industry-led* and *industry-driven*. It also forges broad public/private sector partnerships. A MAEC is a distinctly collabora-

What 100 New Manufacturing Jobs Mean to a Community

	Aggregate Personal Income	\$2,123,705
	Retail Establishments	7
	Non-Manufacturing Jobs	64
	Population	202
	Family Units	102
	School Enrollment	61
	Retail Sales	\$1,610,424

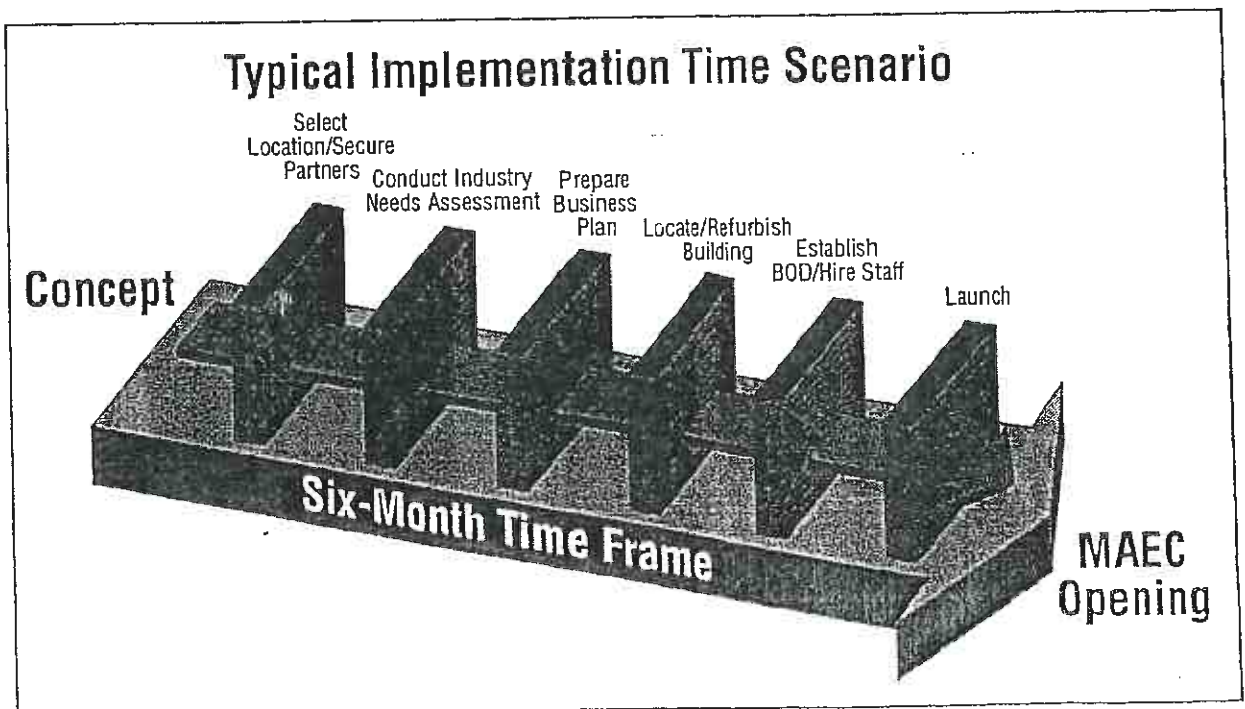
Source: Economic Policy Division - U.S. Chamber of Commerce

tive relationship between manufacturers, government agencies, educational institutions, trade, labor and philanthropic organizations.

- It addresses both *existing* and *new technologies*. The MAECs' "teaching factory" concept allows companies to explore new manufacturing practices, technology and processes from NCMS R&D as well as tapping commercial best practices and equipment.
- It features *shared production facilities*. These facilities operate as a factory where companies can process their own products to gain practical experience, evaluate equipment and processes, develop new products and processes for transfer to their own shops, and have their employees trained in the skills needed for successful transition in the workplace.
- It has a built-in quality management mechanism. MAEC participants are expected to enroll in the NCMS-developed *Achieving Manufacturing Excellence (AME)* program. Through AME, companies undergo an extensive self-evaluation and, based on results, begin a comprehensive plan of improvement designed to instill world-class capabilities in their own enterprise.
- It is tied together by an electronic communication network. The *Network* provides vital links to

industry experts and manufacturing specialists throughout the nation. The network also features easy-to-use capabilities, such as multi-media electronic mail containing text, graphics, sound and full motion video; the ability to transfer CAD drawings or specifications anywhere in the network; personalized subscriptions to electronic news updates, and access to thousands of books and articles from databases all over the world.

- It is designed to ensure *quality and consistency* in each facility comprising the network.
- It is supported by proposed federal legislation. Legislation has been drafted which provides *production set-asides* on DOD contracts currently going overseas to the multitude of SMEs participating in a center.
- It features a "*buyers guide*" to help companies find the equipment most suitable for their needs.
- It is *readily deployable*. Recent experience at one facility demonstrated that NCMS and its partners can design, develop and launch a MAEC in a six-month time frame. (See chart for typical deployment scenario.)
- It is *in place*. Three working models are already successfully deployed and helping local manufacturers.



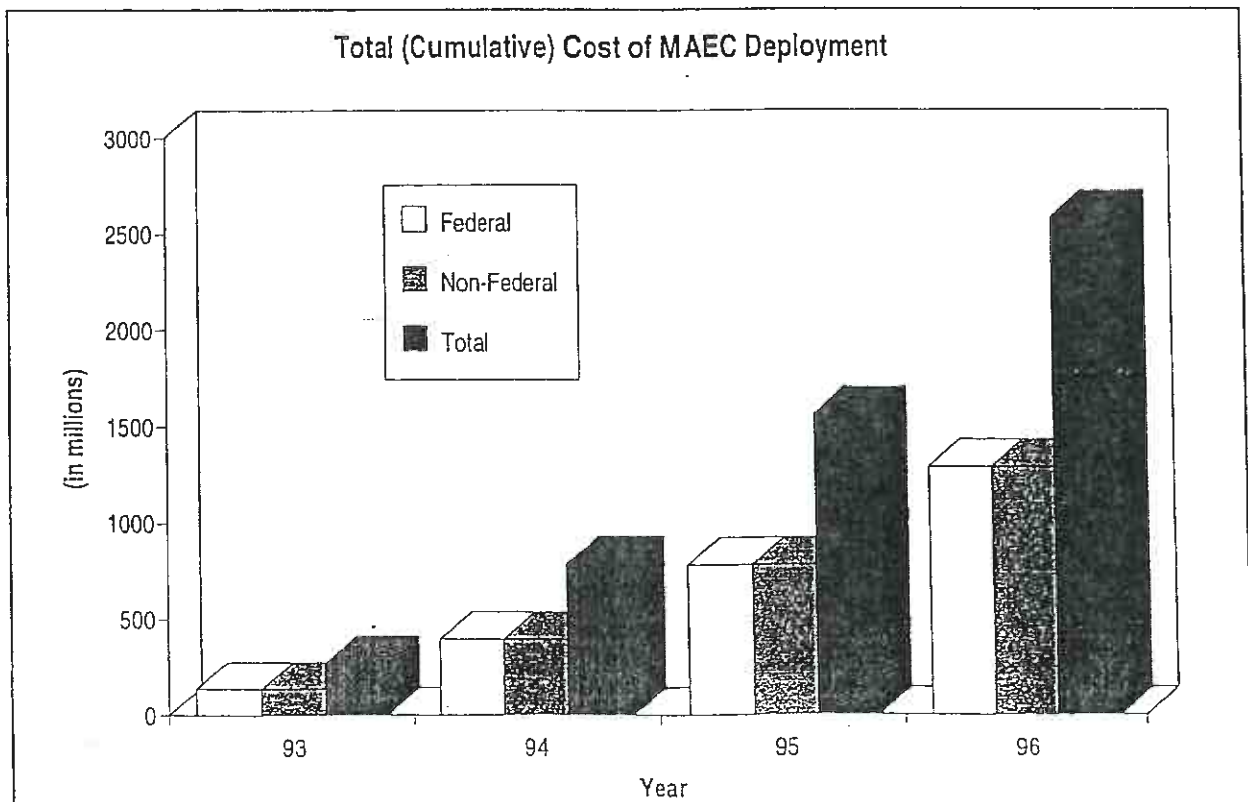
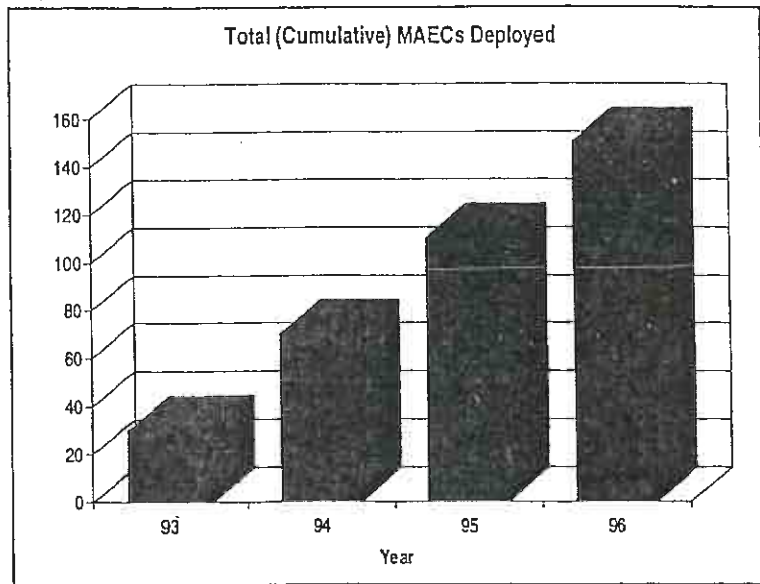
The NCMS Plan is Ready to Roll

Through its MAEC network, NCMS has an economic development plan that is right for America (see charts for details on the number of MAECs and associated costs of deployment comprising the plan).

- It is a tested four-year plan, and one that is working.
- Center deployment is readily accomplished through a franchise-type set up process.
- Partners have been identified. The national site selection process is well underway with 20 sites ready to go; an industry survey is now complete.
- Generic, readily duplicated business plans and legal agreements are in place.
- The NCMS Achieving Manufacturing Excellence program is being deployed at existing and prospective sites.

- Rapid deployment has been successfully tested and can be duplicated across the nation.

We know what it takes to create jobs, boost the economy and bolster the manufacturing base in America. We are prepared and ready to take our plan to the nation.



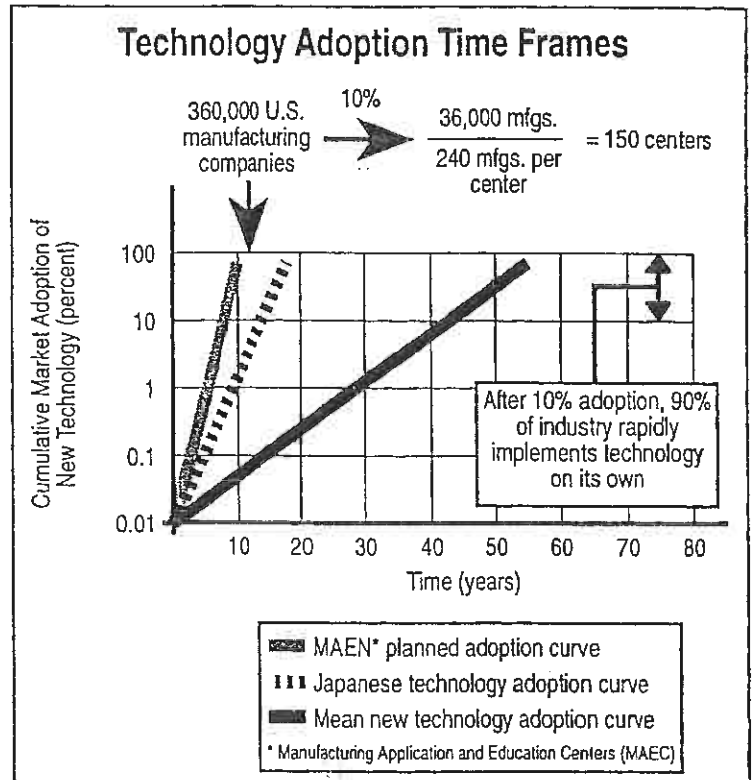
An Infrastructure Problem

The rate at which new technology is adopted in this country is a tremendous barrier to the deployment of new inventions and concepts into manufacturing industries, and subsequently, affects the competitiveness of this nation. The following chart illustrates the current mean deployment curves of Japan and the United States. Along the vertical axis is the percentage of the target market penetrated by a given technology. The horizontal axis specifies the number of years to deploy that technology.

The obvious problem is that it takes too long to widely deploy new technology in this country — over 50 years! It is also easy to see what the difference between the Japanese curve and the U.S. curve means in time to market, lost opportunity, and ultimately lost jobs.

What is not so obvious is the predictability and peculiar nature of the adoption curve. Looking at either the Japanese or the U.S. curve, 80% of the total time is spent reaching just 10% of the target market! This phenomenon has been studied by many organizations all over the world and has been found to be consistent over the past 200 years. If we could improve the mechanism to reach 10% of the

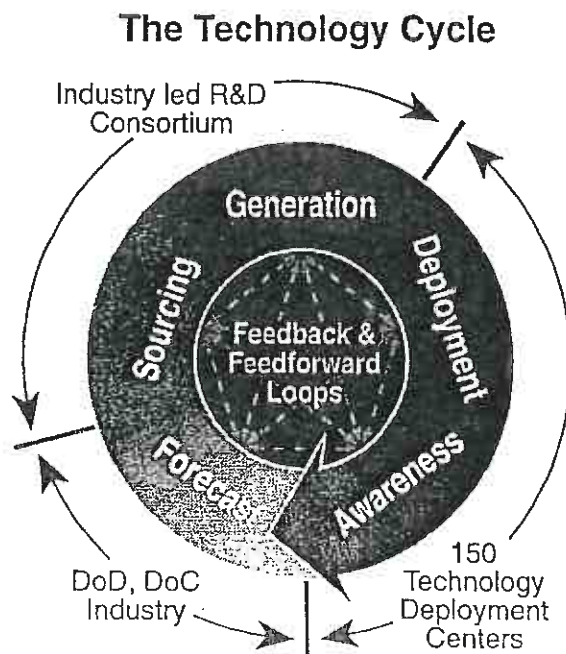
market quicker, we could expect wide deployment to occur more quickly as well.



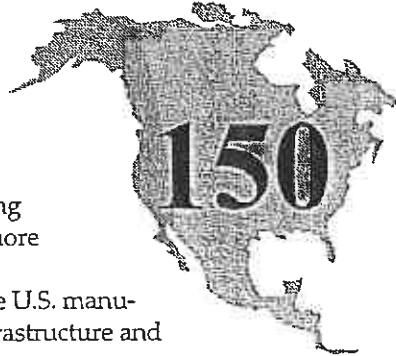
The primary reason that it takes so long to deploy new technology in the U.S. is because there is no comprehensive national strategy aimed at bringing R&D and deployment together. The U.S. must create a comprehensive manufacturing infrastructure that addresses both R&D and deployment to its 360,000 manufacturing companies — and making the situation more difficult, approximately 98% of U.S. manufacturers are small to medium enterprises (SMEs) employing less than 500 people where, in the absence of such an infrastructure, they are nearly impossible to reach.

How can the United States Remedy this Problem?

NCMS believes it is possible to widely deploy new manufacturing processes and technology in less than ten years with an integrated network of state-of-the-art manufacturing centers. Each Manufacturing Application and Education Center (MAEC) is a piece of an extensive technology deployment system providing research, education, demonstration, and access to an advanced production environment — a system forged cooperatively between industry, government,



and academia; one that reaches both the manufacturers who will adopt new technologies and the workforce that must master them. The goals of such a system are to:



- Make U.S. manufacturing companies more competitive
- Revitalize the U.S. manufacturing infrastructure and workforce
- Convert companies from defense to commercial markets
- Recapture production currently procured outside the U.S.

The centers would make advanced production environments locally accessible to all manufacturing companies in the form of shared-use facilities, dealing with best business practices, advanced processes and equipment, and new materials. In these centers, SMEs become aware of new developments more rapidly, validate manufacturing processes more economically, and retrain their workforce in all aspects of the manufacturing enterprise. One of the primary components of the MAEC is the "Teaching Factory." Similar in concept to a teaching hospital, the teaching factory will allow companies to explore new manufacturing practices, technology, processes, and equipment in a production environment. Companies will use this experience to improve their competitive capability and profit margins.

On the basis of a comprehensive study of the geographic concentration of manufacturing industries and its experience with existing centers, NCMS estimates that each could service roughly 240 manufacturers located within a 100 mile radius. Therefore, in order to reach 10% of the U.S. manufacturing industry, or approximately 36,000 manufacturers, it would be necessary to establish 150 centers across the country, each addressing the dominate technologies or industries in the area.

What are Other Countries Doing?

Other nations are already at work on their own manufacturing deployment infrastructures. Germany, for example, has established over 50 centers concentrating primarily on improving the capability to perform manufacturing research. The German government spends \$400 million annually on these centers.

Japan has over 170 Kohsetsushi, or public establishment testing laboratories, focused on upgrading the manufacturing capabilities of small to medium-companies based on the American agriculture extension model. The Kohsetsushi employ over 6,900 people, including 5,300 engineers, meet over 450,000 requests for help per year, and are funded at over \$500 million annually. However, they do not offer help in general management, marketing, and finance. These areas are of tremendous importance in the U.S. and must be part of a comprehensive solution.

These countries clearly have an advantage over the U.S. who spends less than \$20 million a year on the NCMS Manufacturing Application and Education Center's, NIST Manufacturing Technology Centers, and NASA research centers.

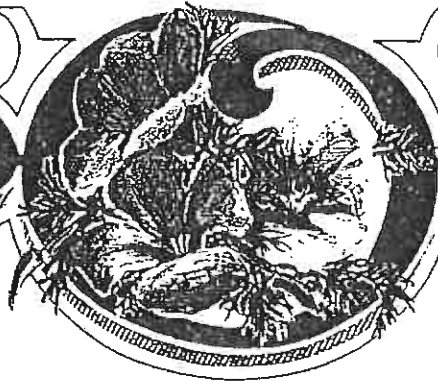
Comparative Technology Deployment Infrastructures

	# of Manufacturers	# Manufacturing Teaching Centers	Yearly Budget	# Companies utilizing shared facilities/year
Germany	356,000	50	\$400 million	*NA
Japan	420,000	170	\$500 million	64,000
U.S.	360,000	*12 (similar to intl. competitors)	\$~20 million	<3,000



National Center for Manufacturing Sciences

certificate
of
RECOGNITION



Presented to

Mr. George Hess

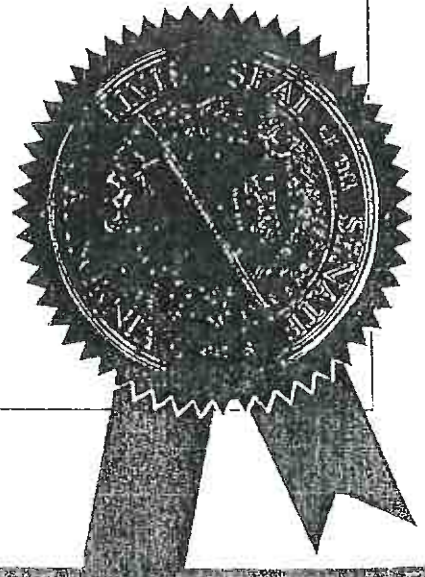
NATIONAL CENTER FOR MANUFACTURING SCIENCES
&
GLOBAL BUSINESS INCUBATION

In recognition of the creation
of the
SOUTH CENTRAL LOS ANGELES ADVANCED
MANUFACTURING SCIENCE & TECHNOLOGY CENTER

Senator Diane E. Watson
and
The California State Senate
Tuesday, the twenty-third of November
Nineteen hundred and ninety-three

Diane E. Watson

SENATOR





West Angeles Church of God in Christ

Bishop Charles E. Blake
Minister

June 29, 1993

National Center for Manufacturing Sciences

Dear Sirs:

As a member of the Manufacturing Application Education Center Consortium (MAEC), West Angeles Church of God in Christ is pleased to offer the availability of office and factory floor space to the MAEC Composites Project: Advanced Manufacturing Science Technology Center.

West Angeles Church owns a facility at 3628 Crenshaw Boulevard, Los Angeles, CA 90016. There are 165,000 square feet formerly occupied by a major plastics manufacturer, available from January 1, 1994 through December 31, 1996 with a possibility for renewal.

This location is on the Crenshaw "Strip", in the area designated as South Central Los Angeles, of Los Angeles City Council District #10. This site is especially appropriate for such use because it is adjacent to a railroad spur line, one mile south of Interstate Highway 10. The building meets current general code requirements, but required modifications and improvements will be the responsibility of the MAEC Project.

A portion of the fair market value for rental will be an inkind donation for the matching funds to finance this project.

Sincerely,

Charles E. Blake

CEB/crc

"God's People Loving One Another and Working Together"

3045 Crenshaw Blvd. • Los Angeles, CA 90016 • (213) 733-8300



LOYOLA MARYMOUNT
U N I V E R S I T Y

Office of Assistant Dean
College of Business Administration

February 1, 1995

Dear AIC Conference Participant:

The major cities of this great nation have been in steady decline for almost twenty years. They are victims of events at the international, national, and local levels. The latest global restructuring seems to only exacerbate existing problems and create new ones.

The United States has been losing manufacturing jobs at an alarming rate, only to replace them with lower paying service employment which, in many cases, makes it necessary for people to hold down two or more jobs to get by or to maintain their current standard of living. Reduced surplus in the national economy has resulted in less money for governments to spend on fighting poverty, crime, and physical decay in our urban areas.

The massive federal budget deficit has dimmed the hopes of many for improvement in these areas in the foreseeable future. The end of the Cold War and the budget deficit have necessitated dramatic cutbacks in government military spending. This has, in turn, meant massive layoffs in the aerospace industry, which has crippled the economies of several cities, particularly Los Angeles. Furthermore, the U. S. trails other global economic powers in the skill levels of its workforce and its ability to get the products of its research and development efforts out to world markets. These national and international circumstances highlight and intensify already serious problems in our cities.

Overall, this situation suggests that it is time to develop a new paradigm for what constitutes economic development in the inner-city. This new vision must recognize the need to include the inner-city's residents, themselves, in the revitalization of their economy and the solution of their problems. It must also include the development of an infrastructure which supports community-based economic activity and local economic responsibility and sustainability. Such developments not only positively impact the central city economy, they also serve as important catalysts for the revitalization of the state and national economies. Los Angeles' economic health is vital to the economic well being of all of California. In turn, California, the largest state in the union, plays a crucial role in the United States economy. When Los Angeles gets economically and socially well, the state becomes healthy, and the national recovery is set on a firm track towards vitality and health in national and international markets.

Global Business Incubation (GBI) is a non-profit organization dedicated to the development and implementation of programs to address these issues. It is a **PARTNERSHIP** dedicated to linking California businesses to emerging technology and

effectively channeling it toward marketing and manufacturing opportunities. The talents and resources of universities, government, the private sector, and labor are being pooled to create the new infrastructure that will facilitate the development of new technologies for the marketplace and jobs in world class organizations for Los Angeles residents, while revitalizing our traditional industrial base.

The mission of Global Business Incubation is to promote cooperative strategies for the development of a support system for manufacturing and other industries. GBI will serve as a facilitator of diverse projects, including teaching factories, business incubators, neighborhood cooperatives, and other mechanisms that, in combination, provide a synergistic approach to reviving the manufacturing and business infrastructure in the Los Angeles area and throughout California. It is patterned after the Ben Franklin Partnership of Pennsylvania (also a partner with us).

GBI's strategy includes the development of a Manufacturing Application and Education Center (MAEC) in partnership with the National Center for Manufacturing Sciences (NCMS). There is not new; everything we are trying to do has been successfully accomplished in other parts of the country. This MAEC will focus on several key local industry sectors, including a Multi-Media manufacturing technology Teaching Factory. We are temporarily operating out of Loyola Marymount University because a building offered for our use at Exposition and Crenshaw was damaged by the earthquake.

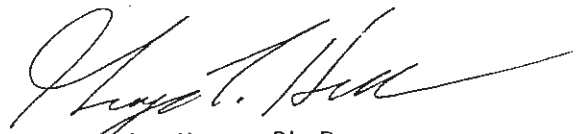
As an AIC Conference participant we know that this project will be of interest to you. We invite you to join with us in making it happen. We are a very inclusive organization. Please attach your business card and give us your thoughts on what you would like to do, in partnership with us, to achieve these objectives.

Thank you for your interest in Global Business Incubation and the Los Angeles Manufacturing and Application Center.

Sincerely yours,



Tonia McDonald
President
Global Business Incubation
6410 Green Valley Circle, Suite 230
Culver City, CA 90230
(310) 649-6623



George L. Hess, Ph.D.
Professor of Management and
Director, Small Business Institute
College of Business Administration
Loyola Marymount University
Los Angeles, CA 90045



September 13, 2000

Tonia McDonald
President
Global Business Incubation Inc.
548 S. Spring Street, Suite 923.
Los Angeles, CA 90013

Dear Ms. McDonald,

On behalf of LA TradeMark, thank you for your generous participation in our recent LA Industry Showcase Week, held during the week preceding the Democratic National Convention to help inform the press about Los Angeles' diverse, innovative and robust economic climate.


Together we provided members of the media with first-hand observations of LA's cutting-edge contributions in the areas of new media/Internet, science and high technology, entertainment and fashion.

By opening GBI to host a tour, your assistance has been invaluable in helping to illustrate LA's leading position in the new economy. We also appreciate the time you devoted to speaking with the members of the media in attendance.

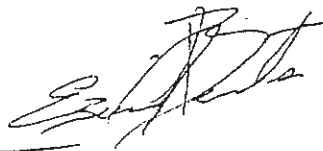
Enclosed you will find a supplement on the Los Angeles economy that appeared in the August 21, 2000 edition of *Forbes* magazine as well as a copy of LA TradeMark's press kit, which was mailed before the Democratic National Convention to more than 500 members of local, regional, national and international media. These materials are two examples of LA TradeMark's many efforts to promote positive messages about Los Angeles.

Again, thank you for your support. LA TradeMark is grateful for your cooperation in helping us to communicate that Los Angeles is indeed the Capital City for the 21st Century.


Sincerely,



Richard Riordan
Mayor of Los Angeles

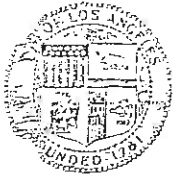


Ezurial Burts
President
Los Angeles Area
Chamber of Commerce



George Kirkland
President
Los Angeles
Convention and Visitors
Bureau





RITA D. WALTERS
COUNCILMEMBER
NINTH DISTRICT

City Council
of the
City of Los Angeles
City Hall

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(213) 485-8990 (FAX)
(213) 847-6822 (TTY)

DISTRICT OFFICE
4409 SOUTH MAIN STREET
LOS ANGELES 90037
(213) 237-1088

October 13, 1997

Tonia McDonald
President
Global Business Incubation Inc.
548 South Spring Street Ste. 923
Los Angeles, CA 90013

Dear Tonia,

I am writing to express my support for Global Business Incubation Inc.'s (GBI) continued development and implementation of the Interactive Multitainment Advanced Technology Center (IMATC) to be located on Spring Street in downtown Los Angeles.

Given the need for new business development in an area of downtown that was abandoned by major businesses for state-of-the-art office buildings a few blocks away more than 20 years ago, I find the IMATC concept to be particularly in sync with trends that encourage the revitalization of downtowns. I am sure that your organization's commitment to Spring Street and its business relationships will attract new small businesses into the leading edge incubation program by linking private, public, and non-profit organizations that will add to the social capital of downtown and enhance the Historic Core's economic potential.

If you have any questions, please contact Mr. John Sheppard of my staff.

Sincerely,

Rita Walters



4800 FRESHMAN DRIVE
CULVER CITY, CA 90230-3500
(213) 237-4200
FAX (213) 841-0396

Tonia T. McDonald
Executive Director
GBI, Inc.
5855 Centinela Avenue
Suite M143
Los Angeles, Ca. 90054

June 9, 1997

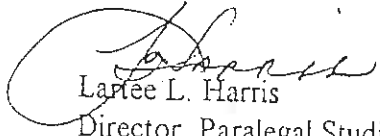
Dear Tonia:

This letter is to confirm my recent statements to you giving my total commitment to working with you and the GBI team in developing and implementing the Interactive Multimedia/Entertainment Advanced Technology Center (IMATC) which is to be located in the Spring Street Quarter in downtown Los Angeles

Having taught many courses at the college level in Business, Management, and entrepreneurialship, with emphasis on public-private cooperation, I find this project especially exciting. The organizations focus on assisting entrepreneurs in the multimedia and entertainment industry fits perfectly with some of the programs we have been working on at West Los Angeles College. Your commitment (GBI) to partnering private, public and non-profit organizations in developing and implementing IMATC will prove to be farsighted and the cutting edge of the future. I can only see great things for the City of Los Angeles, West Los Angeles College, and GBI.

I am looking forward to working with you and your organization and actually seeing the growth and positive outcomes you have outlined.

Sincerely yours'


Lartee L. Harris
Director, Paralegal Studies

Urban Studies Institute

University of Louisville
426 West Bloom
Louisville, Kentucky 40208
Office (502) 852-6626
Fax (502) 852-4558

UNIVERSITY of LOUISVILLE

Mr Robert Democh, Contracting Officer
JPL
NASA Management Office
4800 Oak Grove Drive
Pasadena, California 91109-8099

May 27, 1998

Reference: CAN 98-NMO-JPL-01

Dear Mr. Democh:

I am delighted to provide this letter in support of the proposal submitted by Global Business Incubation, Inc. (GBI) in response to the above-referenced request for proposals. The Center for Research on Entrepreneurship and Enterprise Development (CREED) at the University of Louisville looks forward to working with GBI in developing and implementing the Interactive Multitainment Advanced Technology Center (IMATC) on Spring Street in downtown Los Angeles.

CREED is a university-based research center with an emphasis on action research -- research that, through dynamic field implementation and testing, creates knowledge that is actionable by enterprise development practitioners. Among our products is a diagnostic tool for use by incubation program practitioners in assessing client needs, and a framework and operating system for community enterprise development called the Entrepreneurial League SystemTM. Our mission is to provide business incubation and enterprise development professionals with leading edge tools for assisting entrepreneurs, growing new ventures, and building community economies.

We at CREED are impressed with the innovative thinking that has gone into the IMATC concept. GBI's commitment to produce a high quality and highly effective incubation program is exciting. We believe that we can play a valuable role in this process by assisting with the design and implementation of the business assistance delivery system for the IMATC. The principal researchers and consultants at CREED, Dr. Gregg A. Lichtenstein and I, have over fifteen years of experience working directly with entrepreneurs and business incubation practitioners. We have established a national reputation for our work in this arena.

More specifically, we anticipate working with GBI to establish a system for diagnosing the specific entrepreneurial needs of the IMATC's clients by



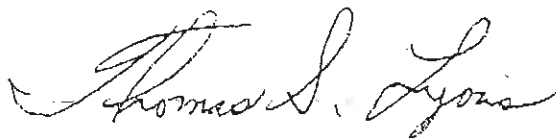
examining client resource requirements and the obstacles they face to obtaining those resources. We will then help GBI to appropriately track these clients according to the skill levels they bring (i.e.: those with lower skill levels will be assigned to a track in which they will receive the most appropriate services at an appropriate service level, etc.). Each client can be graduated up the tracks as (s)he develops their skills. This increases the efficiency and effectiveness of the business incubation process. We will train IMATC staff in implementing and maintaining this system. We are the only organization in the world that employs this highly complex and effective business incubation service delivery system.

Our rate for providing this kind of consultation, training and implementation service is typically \$1,200/day. While it is extremely difficult to determine, at this point in time and with any accuracy, how much of our time it will take to complete our work (The nature of the system varies dramatically from context to context.), we offer a preliminary estimate of 60 working days. This would make the total cost of our work \$72,000. However, given our respect and admiration for GBI, its team and the work they are doing, CREED is prepared to accept a rate of \$600/day. This would reduce the total cost of our services to \$36,000. In this way, we are making a \$36,000 in-kind contribution to the IMATC project.

GBI's enlightened approach to business incubation can speed the transfer of technology from the laboratory to global markets and, in so doing, can enhance the city of Los Angeles' ability to act on its economic potential. GBI's efforts to assemble a national team ensures IMATC's clients access to the very best in new enterprise development assistance. CREED stands ready to put our expertise to work as a member of GBI's team.

If you have questions relative to our organization's capability, please do not hesitate to contact me at (502) 852-8256.

Sincerely,



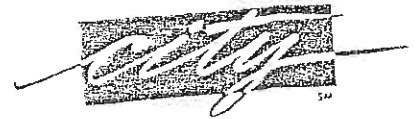
Thomas S. Lyons, Ph.D.

Director,

Center for Research on Entrepreneurship and Enterprise Development

LOS ANGELES CITY COLLEGE

855 North Vermont Avenue / Los Angeles, CA 90029 / (213) 953-4000
June 25, 1997



Tonia Mc Donald, Executive Director
Global Business Incubation, Inc. (GBI)
5855 Centinela Avenue, Suite M143
Los Angeles, CA 90054

Dear Tonia:

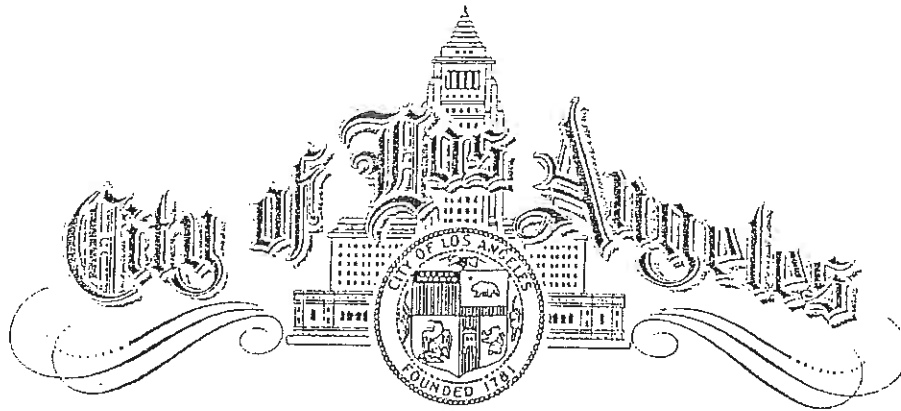
It was a pleasure to meet with you and discuss the involvement of the Los Angeles City College Law Department with your GBI team in developing and implementing facets of the **Interactive Multimedia/Entertainment Advanced Technology Center** in downtown Los Angeles' historic Spring Street quarter. Our paralegal program preparation includes entertainment law, office management, business law as well as a host of other legal specialties. Our Administration of Justice students are well prepared to assume their role as security personnel and well as perform fingerprinting and many investigative functions.

Please accept my full commitment to assist you with interns, workshops, small business development, research, and entertainment law expertise. We are excited about the potential partnerships with the private sector corporations that are a part of your support system, and to be on the ground floor of this far-reaching alliance. Your vision, determination, and commitment are inspiring and we, too, want to be on the cutting edge of building this new chapter of cooperation in Los Angeles' history.

Please feel free to reach me at the numbers listed on my letterhead and I look forward to helping our ideas become a reality.

Respectfully,

Dr. Vanita Nicholas, Chairperson
Law Department



CITY HALL
LOS ANGELES, CALIFORNIA 90012
(213) 847 3489

OFFICE OF THE MAYOR

RICHARD J. RIORDAN
MAYOR

February 1, 1998

Ms. Tonia McDonald
Global Business Incubation, Inc.
548 S. Spring Street, Suite 923
Los Angeles, CA 90013

Dear Ms. McDonald:

Congratulations on your firm's relocation to Downtown Los Angeles and specifically to the Historic Core.

The Mayor's Office of Economic Development appreciates Global Business Incubation's (GBI) contribution to the Los Angeles economy. By promoting the development and growth of urban enterprises through business incubation, new jobs and investment opportunities will inevitably be created.

By offering such key services as business consulting, financial planning, and sales & marketing assistance in a full-service support environment, GBI partners will undoubtedly prosper.

Please contact LA's Business Team if you or your clients have questions or concerns about business incentives, legislation, international trade or contracting opportunities in Los Angeles. We will look forward to assisting you.

Sincerely,

KEN HITT
LA's Business Team

Attachment



Urban

Futurist
Times

Designing the "Flow without friction" in ZERO TIME

Special Issue
March, 2011

By Paul and Tonia McDonald
GLOBAL BUSINESS INCUBATION

PRESIDENT OBAMA PLANS TO UNVEIL "TEACHING FACTORIES"



WASHINGTON: President Obama plans to open two new manufacturing institutes in the Chicago and Detroit areas as part of a larger plan to use public-private partnerships to advance his agenda despite opposition from Republicans in Congress.

Several federal agencies will join forces with companies and universities to run the institutes, which will be devoted to bridging the gap between applied research and product development, according to an administration official familiar with the plans.

Each institute will function as a "teaching factory," the official said, and will provide training for workers while also helping companies get the expertise and equipment they need to

offer new products and manufacturing processes.

The government will put up \$140 million to match the more than \$140 million promised by the private sector leaders involved with each project, said the official, who requested anonymity to discuss the plans before the official announcement next week. The federal government will devote \$70 million to each of the two institutes.

The manufacturing initiative follows The President's new playbook for dealing with a deadlocked Congress unlikely to enact elements of his economic plan, which he will detail in the coming weeks in his budget proposal.

So far this year, President Obama's strategy has made heavy use of the bully pulpit and of his ability to convene private interests to combine efforts with the federal government he runs as chief executive.

Republicans have responded to those plans by pointing to their own solutions for job growth, like tax reform and trade expansion. White House officials are skeptical that GOP leaders will see eye-

to-eye with President Obama on much of his agenda.

So on Tuesday, President Obama plans to unveil his latest effort to boost manufacturing and attract high-quality jobs — without the help of Congress.

The Chicago- and Detroit-area sites will bring the total number of institutes to four. The administration set up a pilot site in Youngstown, Ohio, in 2012, and a few weeks ago announced a new electronics manufacturing institute in Raleigh, N.C.

President Obama has also pledged to launch competitions for four more institutes in the coming year in hopes of setting eight institutes in motion without any action by Congress.

President Obama's broader plan calls for a full national network of up to 45 institutes, but a program of that scope

would require Congress to appropriate new resources.

The selection of Chicago to host a new institute drew praise from elected officials who have been lobbying for it for months.

Sen. Dick Durbin (D-Ill.) predicted it would be a "shot in the arm" for the Chicago area. The amount of money may not seem "overwhelming," he said, but the focusing of government and private resources will have a big local effect.

As long as Washington is gridlocked over budget issues, he said, this is probably the most effective way to promote manufacturing.

"I just don't know if there's an appetite by Republicans to help the president on this," Durbin said. "But we have to do something, and this is the right moment."

Global Business Incubation (GBI) is a non-profit research development organization "think and do tank" that catalyzes the business development process of launching an idea, a business and a community through growing cooperative business incubator cluster models that grow companies.. GBI's innovative model business incubator received the Official White House Millennium Council Award in recognition of GBI as a model of the White House designed program. Honor the Past—Imagine the Future for Modeling hope, imagination and courage in incubating businesses that created hundreds of new jobs in downtown Los Angeles.. Also, during that time Dr. George Kozmetsky world renowned technology entrepreneur, Co-Founder of Teledyne and first Chairman of the Board Dell Computers, served as GBI's Advisory Board Chairman.. GBI was founded in 1991 on the campus of Loyola Marymount University (LMU) at the College of Business Administration.. GBI continues to partner with LMU to host conferences, workshops and symposiums on business incubation, wealth creation, technology start-up camps and the future of technology.

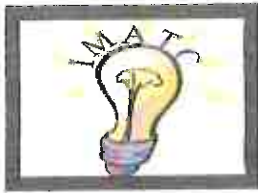
Innovation, Creativity and Capital, IC² Institute at the University of Texas at Austin (UTA) was founded in 1977 as a "think and do" tank to test the belief of its founder, George Kozmetsky, that technological innovation can catalyze regional economic development through the active and directional collaboration among the university, government, and private sectors. Since then, the Institute has researched the theory and practice of entrepreneurial wealth creation and has been instrumental in Austin's growth as an innovation and technology center and in the development of knowledge-based economies in over 30 countries. The Institute's research resources include 18 Endowed Fellows on the UT Austin faculty, a network of over 160 Global Fellows throughout the world, and a rotating cast of Visiting Scholars. Together they have used data from the Institute to produce ground-breaking work on technology commercialization, regional economic development, and entrepreneurship.

The GBI team is currently working with Cal State University Long Beach, (CSULB) Student Life and Development on a collaborative business incubator and social entrepreneurship experiment for students and the underserved communities of Long Beach and Los Angeles.



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Global Business Incubation Report and Review
PRESIDENT of the United States of America BARACK OBAMA
Offers HOPE for ENTREPRENEURS thru Business Incubation

Obama Inaugurates Some Hope for Entrepreneurs

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Despite being attacked during the election for his perceived lack of consideration for America's business owners (see Joe "The Plumber," et. al.), Barack Obama as president-elect has shown an almost wonkish savvy when it comes to the machinations of entrepreneurship in the United States.

His recent [proposal](#) to fund a national network of business incubators to the tune of \$250 million is a good example. While the money might be put to better use being injected into already existing (and often successful) incubators, the point is that some experts believe he gets entrepreneurship, and that he gets what works when it comes to job creation. Business incubators are usually nonprofit organizations attached to universities and funded by governments, successful entrepreneurs, chambers of commerce and business groups. Most of the time their goals

are to create jobs in a region, to tap area brain trusts, and to have their city, town or region become known for a certain industry. The tech-heavy Silicon Valley in Northern California is a good example of a zone encouraged by incubators. In San Diego, a tech-friendly zone known as Silicon Beach was created after the local incubator, San Diego Connect, was launched at UC San Diego in 1985.

Thousands of companies and tens of thousands of jobs have been created in the wake of incubation since the 1950s. San Diego's incubator has been so successful that it spun off a consultancy that helps incubators in other nations get off the ground. Incubators often help entrepreneurs with expertise, mentors, facilities and even cash. Sometimes they help owners find venture capital money or achieve IPOs, too.

Dinah Adkins, president and CEO of the [National Business Incubation Association](#), says Obama's interest in such entrepreneurship is unprecedented in recent times. Under President Bush, she says, "there was the notion that the private sector should take care of itself."

A little bit of pump-priming in the way of incubators, however, can create new ventures and new employment. "I've seen the kind of value and impact these programs can have," Adkins says.

Coming Soon: GBI Administrators - Assistants start-up company development workshop: THE CORE COMPETENCY. For More info: contact Phil Brown, GBI Executive Director at philbrown2929@sbcglobal.net