# UNIVERSITY OF HAWAI'I SYSTEM
Legislative Testimony

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By

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S.B. 1365 Relating to the Innovation Economy

Chair Fukunaga and Members of the Committee:

I am here today to testify on S.B. NO. 1365, which proposes a number of measures aimed at supporting innovation and the sustainability of Hawai'i's economy.

Larry Foster, former dean of UH's Richardson School of Law and the current president of the East-West Center Alumni Association, opened their recent conference in Hanoi by recalling that Copernicus was criticized for asserting the world is round, when the conventional wisdom was that it is flat.

Ironically today, 500 years later, Tom Friedman, the messenger of globalization, is being taken to task for asserting that, in a competitiveness sense, the world is indeed flat.

It's not time to shoot the messenger, however uncomfortable his message might be. These United States, all 50 of them, are facing a crisis of competitiveness, unlike any seen in a couple of generations.

In my youth, the Cold War threat of a Soviet launch of Sputnik in 1957 galvanized a competitive American response that culminated with placing a man on the moon in 1969.

Today, the challenge to our economy is much more subtle. Creeping globalization has slowly eroded America's competitive advantage.

Our predicament today, as compared with the Sputnik era, reminds us of the old story about the frog thrown into a pot of boiling water knowing to jump out, but the frog sitting in a pot where the temperature rises slowly learning too late, and being cooked.

The temperature of the global competitive challenge is rising, and we need to respond before it's too late for America, and too late for Hawai'i, that is, before we're cooked.

We support the aspects of the bill that relate specifically to the University, provided that if any funds are appropriated, they not displace the priorities of the Board of Regent's budget request. More specifically:

**Section 13 – Digital Media Incubator Facility**

The Pacific Center for Advanced Technology Training at Honolulu Community College has partnered with the college's Architecture, Engineering, and CAD program to begin training in the area of Rapid Prototyping and Additive Manufacturing. 3D printers allow for the construction of three-dimensional models out of drawings, thus bring the model to life much faster than by traditional means. HCC is part of the proposed National Science Foundation Advanced Technology Education Center for Rapid Prototyping. The college's role will be to become the national curriculum developer for 3d prototyping and modeling for the construction industry. The addition of $301,000 in advanced media 3D printers requested will provide Hawaii with state of the art technology to both train and provide services to local construction, planning, and architectural design industry.

**Section 15 – The Music and Enterprise Learning Experience**

The University of Hawaii, through its Honolulu Community College campus, has been planning the development of a Music Enterprise Learning Experience (MELE). As Jim Ed Norman, former Nashville producer and one of the program's seminal thinkers, notes, "the program sits on the corner of Art and Commerce streets."

It has long been recognized that Hawaii has a plethora of musical talent involved in all forms of music. That talent can become the foundation for an expanded music economy with the right support and training. The purpose of MELE is not to produce accomplished artists. It is designed to combine critical support skills in songwriting, the music business, and sound production. We envision the creation of a musical community that has creative musicians, commercial songwriters, business managers, marketers, production developers, venue managers, artist's rights specialists, Internet music technologists, and studio managers and engineers.

Honolulu Community College is forming a relationship with Belmont University in Nashville, Tennessee, to provide expertise, and curriculum in assisting the college to jump-start the program. Belmont is considered one of the premier music enterprise institutes in the nation. We will utilize their assistance to create an associate degree program, form a career articulated pathway for Hawaii students to obtain a baccalaureate degree in the field, and to allow Hawaii students access to all three

Belmont sites in Los Angeles, New York, and Nashville for industry internships. We also intend to develop ties with the Hawaii music community to provide internship opportunities at home. While Hawaii may not develop a $4 billion music industry, the state will enhance its ability to expand in all areas of music production.

The developmental stage of the program will be seeded through a federal Title III grant. Three courses will be offered next fall to start the program. If the facility remodeling and studio construction requested in SB 1365 are funded, work can begin while the first courses are being offered. As the program develops, unfunded items such the positions requested, staff travel; training, curriculum support, and community workshops will be identified in detail.

National artists rights groups such as the Nashville Songwriters Association, the American Society of Composers, Artists, and Publishers (ASCAP), and Broadcast Music, Inc. (BMI) have shown an interest in supporting the program through educational workshops and assisting in the creation of songwriter/artists/experts in residence for limited periods of time, this rotating industry experts to assist in Hawaii's music development. The national Academy of Recording Arts and Sciences (NARAS), has also shown interest in linking MELE to their national education programs.

The necessary connections exist to make MELE a special learning and creative experience for all prospective students and workshop clients.

**Section 16 – The public private partnership for technology transfer**

Invention disclosures at UH in 2005-2006 were at an all-time high (61, up from an average of 22 in 1995-2000), and licensing revenues quadrupled between 2001 and 2005 to more than $1 million, before receding to $900 thousand in 2006. Still, translating new inventions into the formation of new companies has been notably less frequent.

UH success in this effort would be enhanced by collaboration with private sector entities which are more expert in this highly specialized and competitive area.