



Annual Report 2007



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October 11, 2007

Letter from the Chairman & President

Dear Governor Beebe & Distinguished Legislators:

The Arkansas Science & Technology Authority's Board of Directors and staff are pleased to submit to you the Authority's 2007 Annual Report. This report summarizes the scientific and technological projects by which the Authority carries out its mission to bring the benefits of science and advanced technology to the people and state of Arkansas.

The Authority's goal is "to plan, promote, influence and support with high quality programs and services the commercialization of research innovations thereby helping to grow the Arkansas economy and increase per capita income."

As part of its biennial plan, the Authority's Board of Directors established five primary goals: (1) to increase research activities in Arkansas, (2) to improve STEM (Science, Technology, Engineering, and Mathematics) education at all levels, (3) to maintain and transform existing enterprises into knowledge-based companies and increase global competitiveness, (4) to develop new products and entrepreneurial firms, and (5) to increase the Authority's visibility through a comprehensive communications and public relations program.

Increasing Research Activities

As part of the Arkansas Science & Technology Authority's efforts to increase research activities, the Authority invested \$664,541 which leveraged \$5,629,885 in federal dollars for supporting research on college campuses. In 2007, this included university research projects targeting federal research support from NASA, the U.S. Department of Defense, U.S. Department of Energy and the National Science Foundation. Authority staff also worked to develop multi-university research efforts which strengthened the state's competitiveness at the federal level and to encourage new research efforts initiated by researchers on geographically distant campuses who shared common interests. Highlights of this year included Research Day at the Capitol.

Improving STEM Education

The Authority has made notable strides in 2007 toward its objective to develop and retain Arkansas' talent pool. With the ongoing support of the Winthrop Rockefeller Foundation, the Authority staff continued working to strengthen STEM Education and to help create a skilled Arkansas workforce. Over 30,000 Arkansas students, 800 teachers and 200 schools were directly impacted by Authority awards totaling \$229,919.

Transforming Arkansas Enterprises into Knowledge Based Companies

The Authority's Arkansas Manufacturing Solutions (AMS) helped to improve Arkansas' manufacturing and industrial competitiveness throughout the state in 2007. During a very busy year, AMS worked with 272 Arkansas companies and completed 224 projects and events, which included the newly offered energy saving workshops and the first Manufacturing Matters conference. AMS continued to have a positive impact on the manufacturers it serves, helping companies create and retain over 2000 jobs and cutting costs by more than \$10 million.

Developing New Products and Entrepreneurial Firms

The Authority has strengthened Arkansas' future economy by investing in technology in 2007. By leveraging federal funding, the Arkansas Science & Technology Authority supported the commercialization of new and developing products and services. This was achieved using Technology

Transfer Assistance Grants (TTAG) to fund Phase Zero SBIR Awards. In addition, the Authority invested in 72 clients with the help of TTAG, Technology Development Program (TDP) and Seed Capital Investment Program (SCIP) funds. In 2007, 25 of the 31 commercialization program investments were awarded to support or commercialize SBIR related technologies.

Increasing Authority Visibility

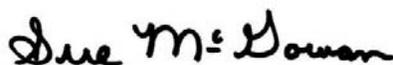
In 2007, the Arkansas Science & Technology Authority sparked interest from promotions and coverage of its products and services in the public eye. Thanks to print and electronic media coverage, presentations from NSF EPSCoR, Research Day at the Capitol, and programs presented by AMS, reached everyone from business owners to legislators with updates on the latest Authority activities. In addition, the Authority staff continued their memberships on 24 boards and commissions.

Conclusion

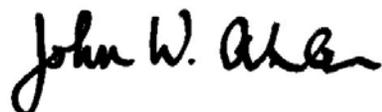
In 2007, the Authority furthered the scientific and technological progress of Arkansans. It appreciates your ongoing consideration and financial support. The Authority will continue to strive and evolve as it serves the needs of Arkansas, preparing the state to meet the challenges of the 21st Century.

Sincerely,

Sue McGowan, Chair



John W. Ahlen, Ph.D., President



About the Authority



The Arkansas Science & Technology Authority (the Authority) was created by statute in 1983 with the mission to bring the benefits of science and advanced technology to the people and state of Arkansas. This mission is addressed by strategies to promote scientific research, technology development, business innovation, and math, science and engineering education.

The Authority is comprised of a Board of Directors, Advisory Committees and staff. The 14-member Board is appointed by the Governor to staggered four-year terms.

The Board has three directors who are scientists or engineers, two directors who are representatives of academic institutions, five directors who represent the private sector, three directors who represent the private sector and have knowledge and experience in the field of manufacturing, and the Director of the Department of Higher Education (or the Director's designee).

Increasing Research Activities

One of the goals of the Authority is to encourage, establish and support basic and strategic research by providing state matching funds for federal agency awards to Arkansas colleges and universities.

As part of the Arkansas Science & Technology Authority efforts to increase research activities, the Authority has invested both manpower and financial support to expand competitiveness for federal research funding and increase research capacity on the college and university campuses across the state. The focus has been on multi-university research efforts that impact the state economically.

Arkansas research matching funds were utilized in 2007 to support federal grant projects like the Arkansas NASA Space Grant Consortium, and projects from the National Science Foundation, the U.S. Department of Energy and U.S. Department of Defense.

Arkansas Research Matching Fund Program & Applied Research Program Projects Funded in 2007

Program	Program File ID	Resolution	Grant	Match
ALAR	07-A-01	Resolution No. 07-29	Axiom grant: \$65,000	State match: \$65,000
ASU-RISE	07-ARMF-01	Resolution No. 07-30	NSF grant: \$84,089	State match: \$13,100
UA-DOD EPSCoR	07-ARMF-02	Resolution No. 07-31	DOD grant: \$350,000	State match: \$126,040
UA-DOD EPSCoR	07-ARMF-03	Resolution No. 07-31	DOD grant: \$339,797	State match: \$153,912
UA-NSF MRSEC	07-ARMF-04	Resolution No. 07-31	NSF grant: \$3,900,000	State match: \$88,048
UALR-DOE	07-ARMF-05	Resolution No. 07-32	DOE grant: \$890,999	State match: \$123,441
NASA Space Grant	06-ARMF-02*	Resolution No. 07-32	NASA grant: \$403,000	State additional match: \$95,000
*Partial match made from funds in 06			Total	\$664,541
Leverage Ratio				9.08



Profile of Success: Research Day at the Capitol

On January 16th, 2007 the Arkansas Science & Technology Authority hosted the Second Annual Research Day at the Capitol. The event, an update to the legislature, emphasized the benefits of research to the state of Arkansas.

The expo included displays from the Authority, Arkansas Manufacturing Solutions, the Arkansas Economic Development Commission, UAMS, Arkansas Bioventures, EPSCoR, Arkansas Biosciences Institute, University of Arkansas at Little Rock, Centers for Math and Science, Arkansas Space Grant Consortium, Virtual Incubation Companies, and various EAST Labs from around the state.

Improving STEM Education

The Authority recognizes that strengthening university research capacity and expanding the skilled workforce for a technology-rich economy requires a focus on Arkansas' talent pool. To encourage the focus on STEM education and enhance the 21st Century skills of Arkansas students, the Authority has developed a number of initiatives. Using Winthrop Rockefeller Foundation grant funds, the Authority has targeted providing Arkansas teachers with technology tools, hands-on activity supplies, and professional development to improve and enhance classroom STEM education. Over the past year, the Authority staff has traveled the state, visiting 18 counties and working with local Arkansas Community Foundation affiliate boards and their staff to expand and enhance these programs. In 2007, the Authority also worked with the college/university community to provide new robotics programs to enrich the technological skills of students in 22 public schools across the state. Local access for these programs continues to grow.

In addition, the Authority has labored to strengthen and support volunteer organizations that target improvement of education in Arkansas schools. Authority staff provided manpower to expand the reach of the Arkansas STEM Coalition in efforts to improve science, technology, engineering and mathematics education in Arkansas schools. The staff also worked with the Technology Task Force of the Coalition to develop a web-based portal of resources to promote 21st Century technology skills in the classroom. Improving education has been the focus of Authority efforts to collaborate with the Arkansas Distance Learning Coordination Council, the Commission for Coordination of Educational Efforts, and the School D.A.T.A. Project.

Other notable happenings in 2007 included participation in a statewide assessment of distance learning programs. These programs are a part of the Arkansas Distance Learning Coordination Council. This organization is charged with reviewing applications and usages of distance learning tools like classroom instruction from off-sight teachers using web based video. In addition, Authority staff took part in the D.A.T.A. project, a program of the Department of Information Systems (DIS) and Arkansas Department of Education (ADE) that is analyzing the technical capabilities of all state schools to make recommendations to the Governor related to school technology potential and needs.

In 2007 the STEM Coalition Task Force continued to work on the SMART portal, a repository of teacher curricula with over 120 lesson plans from teachers. Technology components were added to all lesson plans on the portal and a link was established to AETN's Idea Portal.

The Authority sought to expand awareness of educational initiatives through public presentations and direct community visits. The Authority made visits to 18 Arkansas Community Foundation Affiliate Boards in 2007 and gave numerous presentations at educational meetings of Arkansas teachers in order to provide information on Authority education grants.

In 2007, the Authority awarded 12 STUART Technology grants to Arkansas schools and an additional 12 STUART Technology Training Grants to University Math and Science Centers to expand the number of teacher professional development providers on these systems. STEM awards established one new BEST Robotics Hub, located at Mid-South Community College in West Memphis, which can serve up to 24 school teams, and 19 other STEM Grants which funded teacher-classroom projects, professional development workshops and a summer science academy.

Grants awarded	
Minigrant Awards	284
STUART Grant Awards	24
Robotics Grant Awards	1
Teacher Project Awards	6
University Summer Academy Awards	1
University Center Teacher Workshop Awards	11
Professional Development Events	
Workshops Funded (total days)	56.5

MiniGrant/STUART/SMART/Center	
Workshops Funded (days)	23
Teacher & Specialist Participating	126
STEM Empowerment Grant	
Workshops Funded (days)	33.5
Teacher Participation	472
Teacher Training Activity, Professional Events and Presentations Across State (days)	
2007 Totals	152
Evaluation Workshops (days) , Affiliate Evaluation Committees	13
Arkansas Community Foundation Affiliate Training Events	12
Curriculum Web Portal Development	
Portal Development Events, TASK Force Events	6
Teacher Workshops (SMART/Technology) Workshops Funded	4
Lesson Plans Created	110
Technology Integration Enhanced Lessons	98



Profile of Success: Authority Funded Robotics Teams Successfully Advance

The Authority's BEST Robotics Grant project inspires students to pursue careers in engineering, science, and technology through participation in a sports-like, science- and engineering-based robotics competition.

Students competed at the local level and the top three teams advanced to the regional level titled "Frontiers Trail" held on the campus of the University of Arkansas at Fort Smith.

Each team was to design a functional robot capable of completing assigned tasks. The local hubs provide the individual schools/teams with the necessary material to be incorporated into the robot. To provide assistance, the Authority's BEST Robotics Grant provides up to \$15,000 of matching grant funds so these institutions can begin the initial start up of their program.

The 2006-2007 Competition, Laundry Quandary, was the first year North Arkansas College (NorthArk BEST) and Arkansas State University (Crowley's Ridge BEST) hosted local robotics hubs. These hubs were made available to students as a direct result of grant funding received from the Authority.

Maintaining and Transforming Existing Enterprises Into Knowledge-Based Companies

Arkansas Manufacturing Solutions (AMS) is designed to improve Arkansas' manufacturing and industrial competitiveness through the delivery of comprehensive technical and business assistance services.

The past year has been a busy one for Arkansas Manufacturing Solutions. In August, AMS offered a new service, a one-day workshop dedicated to assisting businesses addressing energy-saving measures within their companies (two additional workshops were hosted later in the year in other parts of the state). Later in the month, AMS met with U.S. Rep. John Boozman (R, AR) as he toured the facilities of an AMS client, Dayspring Cards in Siloam Springs, as part of an effort to survey the effectiveness of a program receiving a small part of an estimated \$106 million in federal funding.

In September, Arkansas Manufacturing Solutions presented two major events. The first annual Manufacturing Matters Conference in Little Rock brought together nationally known strategists and business leaders. About 80 Arkansas manufacturing leaders and economic development representatives attended the conference. Later in the month, in Hot Springs, AMS offered the Manufacturing Extension Partnership's (MEP's) seminar titled "Growing Your International Business: Successful Export Strategies for Manufacturing CEOs." The program was offered in partnership with the Arkansas State Chamber of Commerce/Associated Industries of Arkansas, the Arkansas U.S. Export Assistance Center and MEP.

Finally, in February, Global Manufacturing of Little Rock became the first firm in the state to participate in a new service offered by Arkansas Manufacturing Solutions, "Eureka! Winning Ways: Choices for Growth." The new service helps small and mid-sized manufacturers discover a portfolio of 50 choices for growth and then refines, researches and accelerates development of the best choices for growing top line sales.

For 2007, the Board authorized funding in the amount of \$1,195,135 to support the AMS director and nine field staff: three at the University of Arkansas, Fayetteville; three at the University of Arkansas at Little Rock; one at Arkansas State University; one at Southern Arkansas University Tech; and one at Winrock International. The Board also authorized \$20,250 for partner activities and \$200,000 for Technology Transfer Assistance Grants (TTAG). The following table shows leveraging of AMS' various funding sources.

AMS Leverage of State Funding Fiscal Year 2007							
State Funding	Total Match	Federal	Match Breakdown				
			State Agencies		Universities	Non-Profits	Clients
			Authority	AEDC			
\$257,182	\$3,637,590	\$941,110	\$135,705	\$1,065,009	\$679,897	\$149,992	\$665,877
<u>Leverage Ratio</u>							
14.1							

In Fiscal Year 2007 (July 2006 - June 2007), AMS field staff completed 224 projects and served 272 companies. The types of projects completed and companies served are depicted in the following tables.

Substance	Number of Projects
Business Services	36
Quality Systems	43
Manufacturing Systems	56
Information Technology	11
Human Resources and Organization Development	10
Engineering/Technology Services	68
Total:	224

NAICS Grp	Industry Type	Number of Companies
213	Support Activities for Mining	1
311	Food Manufacturing	29
312	Beverage and Tobacco Product Manufacturing	1
315	Apparel Manufacturing	1
316	Leather and Applied Product Manufacturing	4
321	Wood Product Manufacturing	18
322	Paper Manufacturing	14
323	Printing and Related Support Activities	6
324	Petroleum and Coal Products Manufacturing	2
325	Chemical Manufacturing	20
326	Plastic and Rubber Products Manufacturing	22
327	Nonmetallic Mineral Product Manufacturing	3
331	Primary Metal Manufacturing	15
332	Fabricated Metal Product Manufacturing	24
333	Machinery Manufacturing	22
334	Computer & Electronic Product Manufacturing	15
335	Electrical Equipment, Appliance & Component Mfg.	18
336	Transportation Equipment	19
337	Furniture and Related Product Manufacturing	6
339	Miscellaneous Manufacturing	5
Others	Other	27
Total:		272

The following improvements were reported in Fiscal Year 2007 by clients during the National Institute of Standards and Technology's Manufacturing Extension Partnership Surveys of AMS projects, including TTAG funded projects, completed from April 2005 to March 2006 with Arkansas companies.

Increased and Retained Sales	\$133,326,000
Cost Savings	\$10,048,746
Company Investments	\$15,718,798
Jobs Created or Retained	2,115



Profile of Success: The Glove Corporation

The Glove Corporation, an Arkansas Manufacturing Solutions client, has won a major manufacturing order from Camelbak. Camelbak is a \$120m company that produces and markets sports and outdoor wear, as well as various military products including backpacks and gloves.

Camelbak approached The Glove Corporation in September of 2006 after searching the internet for a company that utilized Lean Manufacturing Principles. The search directed them to an article placed on the internet by Arkansas Manufacturing Solutions, in coordination with the Arkansas Economic Development Commission.

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After a visit to the factory in Heber Springs, Camelback awarded the AMS client a contract in mid January to begin manufacturing 60,000 pairs of an advanced combat glove for the U.S. Marine Corps to be shipped to various Marine bases upon completion.

According to Tony Moore, General Manager of Glove Corporation, Camelback was very impressed, noting that the Arkansas facility had the most advanced manufacturing operation that they have seen within the U.S. and many offshore operations that they currently employ.

While many facilities are still using dated 'Batch and Sew' production methods, Camelbak discovered the benefits of a cost effective approach with the Glove Corporation, a direct result of Lean Manufacturing. Camelbak will now shift a number of orders originally intended to be fulfilled overseas to the Arkansas plant.

Moore credits this latest success to his partnership with AMS and AEDC. "Had it not been for the very direct assistance that AMS and AEDC have given us since 2004, (when we made the decision to convert our company to Lean Manufacturing), we would not have won this contract and we most certainly would not have made it as a viable operation."

Developing New Products and Entrepreneurial Firms

As part of the Arkansas Science & Technology Authority's focus on business creation, three programs foster companies through various stages of development. From the inception of a technology-based business to the commercialization of new products, the Authority is partnering with the people who are changing our state.

The Authority has worked to strengthen the foundation for Arkansas' future economy by investing in technology of the future. The use of state funds to acquire and leverage federal SBIR/STTR funds continues to be an effective way to encourage the commercialization of basic and applied research. Twenty-two of the Technology Transfer Assistance Grants awarded in 2007 were Phase Zero SBIR grants. The single Technology Development investment in 2007 provided bridge funding between phases of SBIR grants. Two of the three Seed Capital investments in Fiscal Year 2007 were made to support the commercialization of former SBIR funded research. Partnering with start-up technology-based companies the Authority has been able to use small investments to help obtain federal funding and larger investments to help the companies, at critical moments in their development. In recent months, companies like Arkansas Power Electronics Inc, Agricultural Research Initiatives, and Minotaur Technologies, LLC were all awarded funding from the Authority.

The Technology Transfer Assistance Grant Program (TTAG) assists Arkansas' enterprises in developing or improving products or processes through the transfer of technical solutions to technology-based, industry-driven problems, thus enhancing that enterprise's market competitiveness.

2007 Technology Transfer Assistance Grant Program (TTAG)		
Project Description	Number	Award
Small Business Innovation Research (SBIR) Assistance	22	\$ 82,500
E-Commerce	2	\$ 7,500
Market Development	2	\$ 7,500
Business Systems/Business Management	1	\$ 3,750
TTAG Client Profile		
Average Number of Employees		7
Average Age of Company		6 Years
Average Year of Corporation Founded		2000
Most Active County		Washington
Number of Projects in County		13
Average Authority Investment		\$3,750
Total Authority Investment		\$101,250.00
Average Client Investment		\$1,362.96
Total Client Investment		\$36,800.00

The Seed Capital Investment Program (SCIP) fosters the development of innovative technology-based businesses early in their development when few funding sources are available.

2007 Seed Capital Investment Program			
Company	NAICS Code		Funds Awarded
American Defense Components Technologies	333512	2007	\$97,551.00
Arkansas Power Electronics International	541330	2007	\$97,551.00
Agricultural Research Initiatives, Inc.	541710	2007	\$97,551.00

The Technology Development Program provides assistance in the development and commercialization of new technology-based products and processes through innovative technology development projects.

2007 Technology Development Program			
Company	NAICS Code		Funds Awarded
UAMS BioTechnology Center	NA	2007	\$10,000.00
Minotaur Technologies	334516	2007	\$50,000.00

The R&D Tax Credit incentive program is intended to encourage private sector financing of research and development jobs within Arkansas.

2007 R & D Tax Credits			
NAICS	Company Name	Qualified Expenditures	Tax Credit Amount
541330	Arkansas Power Electronics International, Inc.	\$1,218,178.79	\$401,999.00
326150	BioBased Systems (A&B)	\$894,879.00	\$295,310.07
326150	BioBased Systems	\$180,136.94	\$59,445.19
326150	BioBased Insulation	\$12,705.00	\$4,192.65
326150	BioBased Technologies	\$105,805.55	\$34,915.83
334516	BioDetection Instruments, LLC	\$249,781.99	\$82,428.06
562219	BlueInGreen, LLC	\$51,845.23	\$17,108.93
541710	InvoTek, Inc.	\$21,120.00	\$6,969.60
518210	Insight Ecosystems, LLC	\$232,229.00	\$76,635.57
54171 541710	Nanomaterial & Nanofabrication Laboratories	\$466,500.98	\$153,945.32
332812	NanoMech, LLC	\$341,995.55	\$112,858.53
334516	SFC Fluidics, LLC	\$139,661.55	\$46,088.31
541710 927110	Space Photonics Inc.	\$778,602.00	\$256,938.66
334516	Vegrandis, LLC	\$434,655.79	\$143,436.41
Totals		\$5,128,097.37	\$1,692,272.13
Leverage Ratio			
* Tax Credits of \$1.69 million supported \$5.13 million dollars of advanced research and development.			



Profile of Success:

American Defense Components Technologies

It's been an exciting time for Stamps-based American Defense Components Technologies. In May, the Arkansas Science & Technology Authority awarded the company a Seed Capital Investment, and, as part of a relationship with the Department of Defense, the company was informed that it would be honored as a Best Value Gold Medalist at the DOD's annual business conference in June.

American Defense Components Technologies specializes in providing quality machine tools and components for selected industries.

Since opening the doors in 2004, owner Matt Baraga has worked successfully to establish multiple business contacts that have since led to the procurement of Department of Defense contracts.

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With an ultimate ambition to become a successful manufacturer of high-technology robotic manufacturing equipment, composite materials products and aerospace components, Baraga is thinking creatively, with his sights set on development of a low-cost robotic manufacturing center and a composite crash-resistant fuel bladder to be used in Sprint and NASCAR racing. The fuel bladder will be safer, lighter and possibly the first to pass the SFI Foundation safety standard 28.2, which would make it the only certified racing fuel tank on the market.

“We currently use state of the art electronics including programmable computer-controlled machines to produce items with complex geometry,” says Baraga, who also points out the marketing advantages of projects such as the fuel bladders and laminated shims, all of which are used as materials common to aerospace applications. “These materials are composite, meaning they are made of more than one material that can't be mixed together.” Though the area of composites is by no means new, Baraga notes that it is still a cutting edge industry. “Composites have made our automobiles lighter, aircraft stronger, and bullet proof vests more resistant. We have the ability to design and have fabricated polymer reinforced materials that are at the heart of the composites industry.”

The Seed Capital Investment from the Authority will be used in the research and development of these applications. While American Defense Components Technologies has long-term potential to compete on a national and international scale, Baraga is quick to call attention to his company's commitment of providing quality services in Arkansas. “We intend to expand our company by building strong relationships with large companies in our area through timely delivery, quality products, responsive customer service, and competitive pricing.”

Increasing Visibility

The Authority continued to stay in the public eye in 2007.

With a continued focus on research and education, the Authority took part in various events including the National Science Foundation's Experimental Program to Stimulate Competitive Research (NSF EPSCoR) Regional Evaluation Workshop, held at the Peabody Hotel in Little Rock, and the biennial Research Day at the Capitol.

Arkansas Manufacturing Solutions hosted events like "Eureka! Winning Ways: Choices for Growth", the first annual Manufacturing Matters Conference, an MEP seminar titled "Growing Your International Business: Successful Export Strategies for Manufacturing CEOs."

AMS also received coverage in the Arkansas Democrat Gazette as U.S. Rep. John Boozman (R, AR) toured their client, Dayspring Cards, and during a workshop dedicated to assisting businesses addressing energy-saving measures within their companies, AMS was spotlighted on KARK, Channel 4 News.

Authority Client Arkansas Power Electronics International, Inc. was a featured segment on KTHV's special, "Arkansas' Brighter Future: Education = Economic Development." Also featured on the special was AMS Director and Authority Vice President Industry Lydia Carson, who in addition to her segment on the small screen, was featured in Arkansas Business, named as one of the 40 Under 40 in the business publications annual issue.

Another Authority client, IntenCity Lighting was also featured in the statewide business weekly.



Profile of Success: APEI in the Spotlight on THV Special

Authority client, Arkansas Power Electronics International Inc. (APEI), enjoyed the spotlight recently as part of a featured segment on KTHV's special presentation of "Arkansas' Brighter Future: Education = Economic Development."

Touting three million dollars in annual revenue, Arkansas Power Electronics International is a shining example of how investing in knowledge-based companies can produce high paying jobs.

APEI had carved out a unique niche in the high-temperate electronics industry utilizing silicon carbide, a material with many properties superior to that of traditional silicon semiconductors. With the ability to operate at over a thousand degrees Fahrenheit, APEI is using silicon carbide to develop smaller, more power efficient applications. These include power supplies and electronics for military aircraft, missiles, and satellites.

During a recent visit at the company's Fayetteville headquarters, APEI President Alex Lostetter shared how the state's initial investment (a TTAG grant from the Arkansas Science & Technology Authority) can translate into a formula for success.

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“It obviously helps to have a business plan,” he says, when asked what advice he would give aspiring entrepreneurs. “But, at the state level, one of the things they're really concerned about is making sure that the technical idea that they're funding is a sound approach that has some serious potential in the future. The TTAGs are especially helpful early on. It gives you the money to actually sit down and put together a proposal to send off to the federal government.”

According to Lostetter, the national success rate for SBIR Awards from the federal government is about 8%. To date, APEI's award rate for SBIR proposals is over 50%. In August, they received a Department of Energy SBIR Phase II grant worth \$750,000 to develop a high-efficiency, power inverter. Constructed with silicon carbide power switches, the project was made possible with the assistance of a TTAG grant from the Arkansas Science & Technology Authority.

Committee/Board Affiliations

The staff of the Authority continues to stay visible throughout the education, scientific, technological and economic development communities by their involvement on various boards and committees.

Committee/Board	Who Serves
Arkansas Biosciences Institute	President
Arkansas Capital Corporation	President
Arkansas Delta (STEM) Talent Expansion Project External Advisory Committee	President
Arkansas District Export Council	Vice President Industry
Arkansas Executive Conference	Vice President Industry
Arkansas School for Mathematics, Sciences and the Arts	President or VP Research
Arkansas Student Business Plan Competition	Finance Program Manager
Arkansas Tobacco Settlement Commission	President
Arkansas Venture Forum, Youth Entrepreneurship Showcase (Y.E.S.)	Finance Program Manager
Arkansas World Trade Center Advisory Council	President
Commerce Capital Development Company	President or Designee
Commission for the Coordination of Educational Efforts	President
Distance Learning Coordinating Council	Vice President Research
EAST Board of Directors	President
Information Network of Arkansas	President
National Association of Women Business Owners	Vice President Industry
NorthWest AR Community College Workforce Advisory Committee	Vice President Industry
Southern Technology Council	President
Steering Committee, Arkansas Technology Task Force	Vice President Research
Task Force for the 21st Century Economy	President
UA 2010 Commission	President
UA at Little Rock College of Science and Mathematics Advisory Board	Vice President Research
UA at Little Rock Mechanical & Electrical Engineering Advisory Council	Vice President Industry
UA at Pine Bluff STEM Advisory Committee	Vice President Research

FY 2007 Operating Report

General Operations							Actual
Character	Budget	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Total	
Regular Salaries	\$548,832.00	\$142,909.53	\$116,439.21	\$142,115.44	\$130,750.81	\$532,214.99	
Extra Help	\$12,000.00	\$0.00	\$0.00	\$0.00	\$0	\$0.00	
Maintenance and Operations	\$144,204.00	\$31,765.50	\$32,053.97	\$31,534.91	\$41,990.30	\$137,344.68	
Fringe Benefits	\$150,185.00	\$38,245.39	\$33,190.99	\$38,233.30	\$35,854.82	\$145,524.50	
Research (Reallocation)							
Conference Fees and Training	\$27,223.00	\$4,566.09	\$9,090.82	\$4,335.91	\$2,507.32	\$20,500.14	
Professional Fees	16,775.00	\$0.00	\$1,439.60	\$60.00	\$2,723.38	\$4,222.98	
Capital Outlay							
Marketing and Redistribution	\$0						
Technology Development	\$697,743.00	\$55,000.00	\$48,750.00	\$22,500.00	\$571,493.00	\$697,743.00	
Research Matching	\$292,653.00	\$34,901.25	\$34,901.25	\$69,802.50	\$153,048.00	\$292,653.00	
Seed Capital Investments	\$292,653.00				\$292,653.00	\$292,653.00	
TOTAL	\$2,182,268.00	\$307,387.76	\$275,865.84	\$308,582.06	\$1,231,020.63	\$2,122,856.29	
AMS Support							
Character	Budget	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Total	
AMS Support	\$257,182.00	\$0.00	\$0.00	\$124,339.50	\$132,842.50	\$257,182.00	
Seed Capital Fund							
Character	Budget	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Total	
Seed Capital Fund Balance	\$1,900,000.00	\$250,025.00	\$250,000.00	\$0.00	\$0.00	\$500,025.00	
AMS Operations							
Character	Budget	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Total	
Regular Salaries	\$136,331.00	\$36,081.52	\$30,838.29	\$36,185.87	\$31,655.83	\$134,761.51	
Maintenance and Operations	\$124,456.00	\$21,897.45	\$44,618.05	\$19,549.44	\$22,268.05	\$108,332.99	
Fringe Benefits	\$38,899.00	\$10,164.86	\$9,106.25	\$10,244.21	\$9,197.62	\$38,712.94	
Grants	\$389,585.00	\$34,542.35	\$91,007.65	\$63,195.14	\$141,662.75	\$330,407.89	
Conference Fees and Training	\$12,777.00	\$320.00	\$4,249.42	\$3,053.14	\$4,322.56	\$11,945.12	
Professional Fees	\$50,000.00	\$5,456.68	\$5,618.46	\$5,540.00	\$5,779.29	\$22,394.43	
Capital Outlay						\$0.00	
Field Services	\$997,477.00	\$238,102.92	\$301,345	\$182,007	\$218,407.25	\$939,861.42	
Miscellaneous Fees						\$0.00	
TOTAL	\$1,749,525.00	\$346,565.78	\$486,782.62	\$319,774.55	\$433,293.35	\$1,586,416.30	

(continued on next page)

Grants Received	Ann'l Budget	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Total
Winthrop Rockefeller Foundation: Middle School Science Year 3 of 3 Total award \$405,000	\$153.22	\$153.22				\$153.22
Winthrop Rockefeller Foundation: Entrepreneurial Arkansas Year 3 of 3 Total award \$443,750	\$253,130.00	\$0.00	\$26,000.00	\$0.00	\$29,151.57	\$55,151.57
Operating Expenses	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Grants	\$253,130.00	\$0.00	\$26,000.00	\$0.00	\$29,151.57	
Winthrop Rockefeller Foundation: Transition of Middle School Science to AR Community Foundation Year 2 of 2 Total award \$49,830	\$37,969.00	\$0.00	\$0.00	\$0.00	\$0.00	
Operating Expenses	\$37,969.00	\$0.00	\$0.00	\$0.00	\$0.00	
Winthrop Rockefeller Foundation: Models for Growth: Using Minigrants to Improve Science Education and to Connect the Arkansas Community Foundation Affiliates to Public Schools Years 1 and 3 of 6 Total award \$913,200	\$250,040.00	\$135,944.22	\$10,935.04	\$15,068.20	\$20,662.11	\$182,609.57
Operating expenses	\$22,322.00	\$97.44	\$5,943.59	\$14,568.20	\$13,775.61	
Mini grants/Stuart grants		\$132,346.78	\$1,500.00	\$500.00	\$0.00	
Evaluator (Cecil)		\$0.00	\$3,491.45	\$0.00	\$6,886.50	
AR Community Foundation		\$0.00	\$0.00	\$0.00	\$0.00	
Evaluations Mini/Stuart		\$3,500.00	\$0.00	\$0.00	\$0.00	
Winthrop Rockefeller Foundation Science and Mathematics Accessible Resource Tool (SMART) Year 2 of 5 Total award \$441,000	\$163,509.00	\$20,196.70	\$11,580.62	\$7,764.61	\$8,860.98	\$48,402.91

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