

OPINION

Thanks, Bob

For as unrelenting as we were in our criticism of Bob Taft while he was governor of this state, he deserves praise for an initiative that we believe should pay dividends long after his administration fades from memory. We're speaking of his Third Frontier program.

The idea of the Third Frontier was to take \$1.6 billion in state money over a 10-year period and essentially use it as seed money for encouraging the development of high-tech components to Ohio's economy. Gov. Taft was correct in sensing that the state needed a spark to ignite greater investment in the research arena, whether that research was in biomedicine, fuel cells or advanced manufacturing, if Ohio could expect the high-tech jobs of the future to wind up here.

But the Third Frontier was about more than the money. In personally stumping for the program and positioning it as the centerpiece of his administration's agenda, Gov. Taft made a statement that Ohio had no intention of being left in the high-tech dust by other regions of the country. He brought a focus to all the talk about transforming the state's economy that hadn't existed before the Third Frontier.

The former governor also did something quite wise in setting up the program. Rather than let hordes of individual companies and institutions chase what in the end isn't a huge amount of money when spread out statewide, he put a priority on awarding Third Frontier grants to collaborative efforts among parties with common goals. Such joint efforts aren't just smart economically. They also bring together the brainpower of researchers who would have missed out on opportunities to share their knowledge and to arrive at breakthroughs that may have taken far longer to

achieve had they worked separately.

It could be several years, if not a couple decades, before the job-creating potential of the Third Frontier program can be assessed properly. That's because the process of moving discoveries from the lab into the marketplace often is long and slow.

Yet if current investment in high-tech companies is any gauge of what the future may hold, then we would say the Third Frontier program may well result in a nice payoff for Ohio.

On Page 2 of this week's issue is a chart that presents figures for the top 10 markets in the Midwest for health care venture investments. Through the first nine months of 2007, Minneapolis and Cleveland are in a dead heat for first place in the amount of money that health care startups in their markets have been able to attract. And it's no small amount of money — \$212 million in each market.

However, also on the list at No. 7 is Cincinnati, where health care startups snared \$61 million in investments in the first three quarters of the year. The investments in the two Ohio cities combined are in nearly 30 companies, which indicates that innovation is happening in the state on a broad scale and that more venture investors look favorably at Ohio as a place to put their money.

We're not sure we'd be at this point if Bob Taft hadn't pushed the Third Frontier program. We hope the current governor doesn't lose sight of its value.
