

**Comments for the FFAR Board
Agricultural Utilization Research Institute**

The Honorable Dan Glickman and members of the Board:

My name is Ron Obermoller. I chair the Agricultural Utilization Research Institute, or AURI, Board of Directors.

Value-added agriculture is at the heart of AURI's mission to foster long-term economic benefit through increased business and employment opportunities in the areas of food, renewable energy, biobased products and coproduct utilization.

The Agricultural Utilization Research Institute congratulates the Foundation and the Board on its progress this past year. The Foundation has identified key focus areas that are well-aligned with the critical challenges facing agriculture and our world.

In a recent report, *Agbioscience as a Development Driver: Minnesota Agbioscience Strategy*, Battelle Memorial Institute concluded that it is not only the presence of core competencies in research and innovation that will ensure the nation's economic success, but also the ability to align these assets through public-private partnerships across the system.

Research is the beginning. We need great ideas coming out of our nation's research institutions and we need those innovations to be successfully applied by businesses to capture their economic impact. Providing creative mechanisms to entice businesses and entrepreneurs to assume risks associated with innovation is vitally important. The Foundation's support of businesses and entrepreneurs as they endeavor to commercialize new technologies could be an important component of *"catalyzing innovation to solve pressing challenges in food and agriculture."*

This includes applied research and development, fostering finance opportunities to overcome challenges and developing business and entrepreneurial networks that improve the performance of the entire innovation ecosystem. A support network of providers from academia, organizations like AURI, and government agencies can often facilitate the progression of new technologies to the market. These public-private partnerships provide exceptional momentum for start-ups and existing businesses from "concept" to "marketplace".

We applaud the Foundation's efforts to develop research priorities and after careful consideration of the focus areas, we encourage the Foundation to include "biobased industrial products." This additional focus area could support important renewable biochemical innovations. In the agbioscience report referenced earlier, Battelle indicated that in the United States biomaterial demand is forecasted to reach \$4.6 billion in 2016, representing yearly growth of 7%, creating new economic opportunities and jobs for rural America.

Great opportunities await agriculture and the entrepreneurs whose innovations will grow wealth and jobs around the world.

For over 25 years AURI has worked across the innovation continuum to add value to Minnesota and U.S. agricultural production and to foster long term economic benefits. We would welcome the opportunity

to partner with the foundation to share lessons learned and help FFAR meet its goal of catalyzing innovation to solve pressing food and agriculture challenges.
Thank you for the opportunity to address the FFAR Board. We wish you continued success in advancing food and agriculture innovation.