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Committee on Small Business
Subcommittee on Healthcare and Technology
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Introduction:

Chairwoman Ellmers, Ranking Member Richmond, and members of the Subcommittee, thank you for the opportunity to appear here today to discuss the impact and value of the SBIR program. I am Terry Brewer, President of Brewer Science, Inc., in Rolla, Missouri, and I am appearing here today as a founder and owner of a small business that sustains high-technology innovation.

Brewer Science:

I founded Brewer Science in 1981 and based it in Rolla, Missouri. Brewer Science is a major innovator of high-technology processes used to create ultra-small circuits that enable devices such as tablet computers, smart phones, digital cameras, and flat-panel monitors and TVs. The stringent requirements of these products provide Brewer Science with opportunities to leverage the company's knowledge and creative capabilities to develop the needed advanced technologies for both government and private sectors. Our product line encompasses unique chemicals, processes, and equipment that are used to give devices more capability in less space for lower cost. They are also used in new alternative green energy products such as high-brightness LEDs destined to replace conventional light bulbs.

Like many entrepreneurs, I started the company with a novel concept but little cash. By using another company's extra lab space, creating a unique business approach, and accessing the support of programs such as the SBIR, program Brewer Science has grown to nearly 300 employees. We are now the largest private employer in Phelps County, Missouri, with sales offices across Asia and Europe to access worldwide markets for our U.S.-manufactured products.

Our mission is to innovate and sustain advanced processes and products for the dynamic demands of electronics and related industries. Our covenant is to ensure that Brewer Science products are the most reliable in the industry. We are also driven to continually improve product quality, manufacturing systems, and customer care.

Additionally, we are making significant headway in developing the next generation of semiconductors using breakthrough processes and materials, such as carbon nanotubes, in our facilities in Rolla and Springfield, Missouri.

Over the past 30 years, this small, privately held, high-tech company located in rural Missouri has grown into a strong innovator and exporter of products used by every major integrated circuit manufacturer in the world. We have participated in the SBIR program with a high degree of success, including the commercialization of multiple disruptive technologies. Receiving no venture capital funding, we rely on our people, our ideas, and a limited programs number of programs such as the SBIR program to support continued, leading-edge growth and innovation. This combination will lead to the development of the next generation of microelectronics technologies here in the United States.

With global competitors from countries that provide large government subsidies for their research and development, programs like the SBIR program are needed now more than ever. As a U.S. company competing in fierce, global markets, we must fight to secure a technology leadership position that requires increasing investments in innovative solutions to provide our customers, both commercial and government, with the latest microelectronic technology advantages.

Small Business Innovation Research Program:

History:

The founders of the SBIR program had the great vision to support and grow a true national treasure: innovation generated and sustained by American small businesses. In fact, American small businesses have become the most powerful innovating force on earth, and it is this ability to not only invent, but to provide sustained innovation that is a hallmark of this effort. However, even though the SBIR program has shown great value in supporting growth through innovation, the program may be in jeopardy because of distractions that take away from the core of its purpose: the successful commercialization of high-technology concepts through small businesses.

Value:

Since we received our first SBIR award in 1984, the microelectronics industry has benefited from many Brewer Science technologies facilitated by the program. Over the past 27 years, this support has enabled Brewer Science to contribute to the integration of this technology into the IC (integrated circuit – microelectronics) industry. It has helped us create and sustain high-value jobs en route to influencing the development of modern electronic devices as we know them today.

So, how do you calculate the impact Brewer Science has made on the microelectronics industry? It's not possible. From local jobs to advances in global microelectronics, Brewer Science innovations have made a difference in the way we live. But, we are only one example of how funded innovation drives this kind of change. There are many more stories like ours that also confirm the value of the SBIR program.

Challenges:

In driving this change, it is important to distinguish between “science” and “innovation.” While appropriate science provides the foundation for meaningful innovation, the value of the SBIR program is more than just funding “the best science.” Science alone does not create jobs, businesses focused on sustainable innovation and development do. The founders had it right: “Small Business Innovation Research” empowers government funding to move great innovations forward to solve technical challenges through commercialization, thereby achieving economic growth.

Concerns about expanding the program regarding minority participation and achieving geographic parity are legitimate, but realistically cannot be addressed when the existence of the program is at risk. To increase parity and participation, the program must be continuous and must be continually improving.

The founders of the SBIR program intended for American small businesses to generate jobs and technology growth. However, investment firms driven strictly by financial gain are not always aligned with this focus. I recognize that monetary support is critical for small business growth. While investment firms can provide support for small businesses, their drive and purpose may not always align with SBIR objectives. Any changes in SBIR legislation should be sensitive to these concerns.

Metrics:

We must realize that the true value of the SBIR investment is not the number of patents or papers produced, but the economic benefits supported by the resulting innovation. Sustained innovation, not just invention, adds value to society. We must measure and reward those companies that provide these results. I encourage the Subcommittee to undertake this task during the reauthorization process.

Conclusion:

In conclusion, the visionaries of the SBIR program anticipated the increasing need for sustained innovation from U.S. small businesses. As our nation struggles with challenging economic times, there is no better vehicle to get us through than American small business innovation. While there are differences and distractions associated with the passage of this bill, I encourage the Subcommittee to remember the essence of what this program supports and how valuable SBIR is to supporting these efforts.

Thank you for your interest and for allowing me to share my perspectives with you and I would be pleased to answer any questions.