



Committee on Small Business
Subcommittee on Economic Growth, Tax, and Capital Access
Hearing on “ Innovation as a Catalyst to New Jobs”

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The Southeastern Institute of Manufacturing and Technology (SiMT) is located in Florence, South Carolina. It is a wholly owned division of Florence-Darlington Technical College. Historically, innovation has created the bulk of American jobs, and we believe it will most certainly be the force that creates jobs tomorrow. We also believe that creativity and innovation are critical to the success of business, industry, and the economy. The SiMT was created to provide support services to existing businesses and entrepreneurs, to help them be successful. Both existing companies and entrepreneurs tend to be in need of some of the same things. These typically include four things; Technology, Customers, Capital, and Talent. The SiMT offers services in support of all these areas. Since opening the doors of our 177,000 square feet Advanced Manufacturing Center in August of 2007, we have worked on projects for over 200 clients, with approximately 1/4 being entrepreneurs working on innovative new product ideas.

In support of the first need, Technology, the SiMT offers services in Computer Aided Design, Rapid Prototyping/Additive Manufacturing, and Reverse Engineering. Additionally, our 3D-Virtual Reality Center can develop content that allows clients to do both Product and Process Visualization & Simulation, and Virtual Prototyping. We have provided these services to clients that range from Fortune 500 companies, to the entrepreneur-inventor who comes to us with a sketch on a napkin. The person that comes to us with a napkin sketch, and many small manufacturers, needs a resource like SiMT to get their new product innovations to market. We become a part of their product development team.

To help our clients with the second need, Customers for the new product ideas they have, we create many sales and marketing visual presentations for our clients. These could be a product simulation shown on a laptop computer, or an internet based product demonstration. We use many tools including Virtual and Augmented Reality software to create compelling visualizations of new product concepts. Entrepreneurs, particularly, use these visual applications to sell their product idea to both potential customers, and investors. Several of our client entrepreneurs have been able to generate enough interest

in their product idea to secure funding for their business startup. In some cases, they were even able to procure purchase orders for their product from established retail companies.

The third need, Capital, is always tough to come by for the innovative entrepreneur. The SiMT is not in the Venture Capital business. We cannot offer seed money to a client to get his business going. However, what we can do is offer them some ways to leverage the capital they do have. In September of 2012 we finished construction of our new 28,000 square feet Manufacturing and Business Incubator facility. This facility provides startup companies both office and light manufacturing space, which is reasonably priced. It has the potential to house up to 26 different startup companies. It provides the amenities found in most Business Incubators; internet access, telephone service, conference and meeting rooms, shared copiers and printers, and a shared commons area where tenants can meet and network with each other. Additionally, in partnership with our local Small Business Development Center, we offer training sessions for tenants on subject areas related to running a small business.

Additionally, this new Manufacturing and Business Incubator facility is adjacent to our existing Advanced Manufacturing Center, which houses our large machining center. The machining center has state-of-the-art equipment such as CNC machining centers, water-jet cutting, and an inspection metrology lab. An Incubator tenant that may have a limited need for this type of equipment may procure time on our equipment instead of buying their own. Access to our capital machinery can help get their business off the ground, while preserving their precious operating capital.

We currently have our first client tenant in the Manufacturing and Business Incubator facility. The company, MatrixXcom, was recently accepted into the Mentor-Protégé Program by Homeland Security. We have two more companies that we are currently working with to finish their product development, before they move into the Incubator facility.



The fourth need, Talent, is almost universally in short supply today. Companies across the country are saying that they cannot find enough skilled workers to meet their needs. Our parent organization, Florence-Darlington Technical College, has its roots in training skilled workers for local industry. The SiMT carries on that tradition; we provide customized, workforce development, training solutions for client companies. When a startup company needs to train a new workforce, or an existing company desires to raise the skill level of its current workforce to compete in a broader market, they can get that specialized training at the SiMT.

In conclusion, as communities look for ways to create jobs and drive economic growth, many are finding innovation to be a key element, and startup companies to be the real job creators. The Southeastern Institute of Manufacturing and Technology is an initiative to support the innovators and entrepreneurs in its home state of South Carolina, as well as the southeastern region of the United States.