

Special Interest

During his presentation and talk at the BROAD BAND IN CITIES & TOWNS conference held at Benedict College, Tom Persons, said, “Broadband and the Internet should be like air and water. Free or priced at levels that every person in our state could connect to the internet and the web.” Those attending the conference were asked to pledge to support Broadband for all citizens and to support our communities in their efforts to provide this economic development tool to all areas of our states, especially in the rural areas of our state. Stay tuned as legislation both on the state and on the national level begin to debate. This is going to be a very hot topic with high emotion at many levels, stay tuned for more to come on this issue. Follow the news at www.sctech.org. The entire conference can be found at www.benedict.edu

Inside This Issue

CHR and the Future of Hydrogen Fuel	1
Computer crime, Always On and The time is now	2
New Carolina, get fired up, take action	2
2005 South Carolina Patent Review	3
Conferences and Events you must attend	3
What does Florida know that other states want?	4
Tracking SC patents is proving to be exciting	5

CERA Chairman Yergin and US Energy Under Secretary Sell at CHR



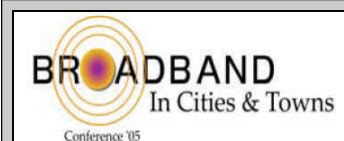
CHR South Carolina’s new Center for Hydrogen Research opened with clear energy all around. It was Congressman Gresham Barrett that moved the overflow crowd with his comments, “today was the future and it was happening right here in front of all of us. This day will be remembered as the day that

our state and our nation made a move that will have major impact on the futures of our families, our grand children and the rest of the world.” The Center for Hydrogen Research opens with great expectations. The Future is Right Here! This is South Carolina’s opportunity to make a contribution to the world. This is our initiative to commercialize Hydrogen

products! The **CHR concept** is to create an environment where Savannah River National Laboratory expertise and technologies can be easily used to create low cost-effective and consumer accepted products and services. CHR is a facility which encourages collaborative relationships between SRNL, academia and private-sector researchers seeking, *cont. pg. 2*

Benedict College Hosted National Conference

This was a plain-speaking conference focusing on case studies and practical applications designed for non-technical professionals working who are working to improve neighborhoods in our urban cities and rural towns. There were over 150 in attendance from 14 states, they shared and learned from one another how to



get started. This conference focused on how to use new communications technology, mainly broadband and wireless Internet, to spur support, and sustain economic development,

especially in our inner city and low-income neighborhoods. This conference was directed by Dr. Jabari Simama, Vice President of Community Development at Benedict College. He is being advised by a committee of national experts from across the US. Get the full report and follow this debate at: www.benedict.edu

Fuel Cells, Hydrogen Fuels, and what they have to do with South Carolina

Continued from page 1.

to solve problems and develop hydrogen-related products for commercial applications by:

- 1) Bringing together, in common facility, researchers from different organizations, academic researchers, entrepreneurs, start-ups, suppliers and end users.
- 2) Fostering an open environment which encourages discussion and collaboration
- 3) Efficiently supporting joint research projects
- 4) Providing technical support and specialized equipment
- 5) Supporting the range of research, engineering development and pilot demonstrations
- 6) Protecting proprietary information
- 7) Meeting the needs of all partners

Hydrogen Research Partners:

The Center for Hydrogen Research is designed and operated to meet the needs of individuals and organizations who want to participate in the emerging hydrogen economy.

Partners include: Academia, Public Researchers, Private Sector R&D, Entrepreneurs, Start-ups, Suppliers,

Manufacturing and End Users.

To enhance your opportunity for timely and cost effective research and product development is significantly enhanced by teaming with Savannah River National Laboratory and the Center for Hydrogen Research.

Toyota has made a strong financial commitment as well as General Motors. The automobile industry understands there must be new ways to fuel our vehicles. South Carolina and our leaders also understand that this new Hydrogen fuel movement may be our best chance to be a worldwide leader again. Fuel Cell, Alternative Fuels and the work with Hydrogen at the CHR will be world impacting.



SC Launches Hydrogen & Fuel Cell Alliance

New group will foster collaboration, promote economic potential.

The South Carolina Department of Commerce announced today the introduction of the South Carolina Hydrogen and Fuel Cell Alliance, a statewide initiative designed to promote the development and use of quality, cost effective and accessible hydrogen, fuel cells and related technologies.

"Building the knowledge-based sectors of our economy continues to be a focus for

this administration," said Gov. Mark Sanford. "We are committed to building on our competitive advantages in hydrogen and fuel cell research and production to grow a viable hydrogen cluster that can create higher paying jobs and help ensure we can compete in a knowledge based economy."

According to Fred Humes, "South Carolina possesses great assets for hydrogen and fuel cell development but needs a coordinated statewide effort. Without a statewide focus, we lack the ability to take full advantage our inherent strengths in this area."

"Building on the results of two in-depth studies by Next Energy and the SC hydrogen coalition we are ready to build on the hydrogen and fuel cell foundations which already exist in our state. Hydrogen may well be one of the leading technology growth areas in the state. We have the infrastructure, technology, resources and determination to be competitive in the emerging hydrogen economy." Humes added. "By bringing together all the players in a united effort, we can leverage our unique capabilities."

South Carolina has a number of resources that can make a significant impact on growing the hydrogen economy:

**Savannah River National Laboratory
Center for Hydrogen Research
The University of South Carolina
Clemson University
South Carolina State University**

Some of the economic allies for hydrogen development in the state include the South Carolina Research Authority, the state-funded Venture Capital Fund, and Concurrent Technologies Corporation.

Computer Crime

FBI says that dealing with viruses, spyware, PC theft and other computer related crimes costs our United States businesses a staggering \$67.2 billion a year!

Worms, viruses and Trojan horses are the most costly, followed by computer theft, financial fraud & networks.

AlwaysOn

In the new magazine being published by Tony Perkins, he has been writing and leading technology publications for many years. His latest is AlwaysOn, which will deal with the "AO" seems to say keep the power on. It's 2006 and the me generation has now changed to INSTANT Gratification. How many of your devices are AlwaysOn?

THE TIME IS NOW

Preparing for the broadband conference that was held at Benedict College, got many of us saying it's time for our state to have a broadband public policy. We have far too many citizens in our state who have no broadband connection available to them. Governor Sanford during his address to those attending, said he would help.

What a Welcome For the SEBIO Conference, Watch those Sharks!

Southeast Bio recently held their annual Bio Ventures Conference in Charleston, SC. The attendance and the comments about the hospitality by the conference attendees was outstanding. Comments made were "you folks really get it," "You know how to market your state and you are really doing some wonderful things in the biotech industry." The more than 450 biotech venture capitalists and biotech companies enjoyed the two days. Our state's venture capital leaders who attended the meeting were given a great deal of credit for the success of this year's conference. Serving on the SEBIO's board of directors are two of our states best known venture capital and university research leaders; Adrian Wilson with Trelys Venture Partners and Dr. Tony Boccanfuso, Executive Director, USC's Research Dept. helped



plan this successful conference. The South Carolina Department of Commerce was the host for the reception held at the aquarium. The divers in this picture were professionals

who had just finished feeding the sharks, not to be confused with any of the venture capital representatives who were all over the aquarium. Unlike many of these kinds of conferences held in South Carolina, these venture capital leaders have invested over \$1.2 billion across the southeast. The companies receiving investments are from the southeast region. There were more than 30 emerging life science companies that had an opportunity to tell their stories.

Those in attendance were electrified, just like the moray eel that kept swimming around and hoping to light up the room of venture folks.

The presenting companies and venture capital leaders were all interacting and working the aisles.

MUST ATTEND STATEWIDE TECHNOLOGY EVENTS



Building a high-tech knowledge based economy in South Carolina takes a lot of effort from everyone in our state. On Mar. 28-29, Palmetto Expo Center.

www.innoventures.com



Southeastern Hydrogen Highway is beginning to see traffic coming from all directions. Fuel Cell leaders from more than eleven states are signed up for the 3rd annual conference. Since Tom & James started this conference the world has begun looking at South Carolina. Find out why on April 24-25.

www.fuelcellsouth.com

ThinkTEC 2006

Advancing a knowledge based economy is the theme of this year's ThinkTEC conference. There are a number of well known speakers lined-up that speak on venture capital, information technology, high tech politics and a host of other topics that will keep your attention.

www.thinktec.org

Florida Capital Formation Program To Pump \$75,000,000 Into High Technology Start-Up Companies!

Gov. Jeb Bush of Florida has announced a new proposal aimed at pumping \$75 million into technology start-ups. The plan, dubbed the Florida Capital Formation Program, is one of five economic development proposals totaling \$630,000,000 that the Governor wants in the 2006-07 budget. Lawmakers will likely have \$3.2 billion more to spend than expected next year, due to the increase in sales tax collections from rebuilding after two active hurricane seasons. The budget plan also includes other business-friendly proposals such as tax breaks on new equipment purchases for manufacturers, a reduction in the state's school property tax rate, and money to support Miami's efforts to land the secretariat of the proposed FREE TRADE AREAS of The AMERICAS. There seems to be a number of reasons why the patent results for Florida are the strongest in the southern region.

South Carolinians, both in the private sector as well as the General Assembly, have worked very hard over the last seven to eight years to really make our state more competitive with our neighbors. We have the Centers of Excellence Act, Life Sciences Act, The South Carolina Venture Capital Act, Job Creations Act, all of which have and will continue to improve the economic well-being of all our citizens. We must continue to move forward each year. Let's all do what we can to see that our Department of Commerce has the budget necessary to compete!



New Carolina, New Name, Great Job!

NEW ENERGY ♦ NEW IDEAS ♦ NEW CAROLINA ♦ RISING AS ONE

If this does not get you fired up and excited about what's taking place around our state, you need a shot of life.

New Carolina Rising As One.... We the tenacious people of New Carolina, declare independence from Mediocrity. We will reach beyond past mistakes and build on historic successes toward a bright future that lifts our families, our schools, our businesses. From this day forward, we will demonstrate a new will and forge a new way. With tireless passion, bold leadership and decisive action, we will silence the naysayers, the doubters, the cynics. We will encourage the innovators, and teachers, and celebrate the courageous. In doing so, we will become a leader in public education, entrepreneurial success, personal income and quality of life. Each day we will reach for, and push each other, until one day the world will acknowledge us as the "the new land of opportunity."

These are the opening words of the new theme and new way of thinking for many South Carolinians. For far too long many of our neighbors have said "we cannot do that, this is South Carolina."

Under the leadership of Chairman Ed Sellers and Executive Director George Fletcher the name of what was once known as the South Carolina Competitiveness Council has changed their name and created a new theme, along with one

of the most inspiring videos and music that will excite and move even the states naysayers.

Come alive and let's get with it South Carolina. There has never been a better time to be a South Carolinian. There is more going on in our state today that will impact our citizens and our families for years to come. Open your eyes and become part of New Carolina, talk up the good things that are happening all around us. If you do not know what they are, call the staff at New Carolina, or the staff at SC Technology Alliance, or check either of our web pages.

What is New Carolina?

New Carolina is leading the collaborative implementation of a new economic development strategy outlined in A Strategic Plan for South Carolina.

A private-public partnership, the South Carolina Council on Competitiveness was formed in early 2004. Some of our state's key stakeholders in economic development engaged Harvard Professor Michael Porter to conduct this study on South Carolina's economic competitiveness. Professor Porter served as senior advisor to the first phase of the Initiative, and donated his time pro bono to the project. The Monitor Group was commissioned to conduct research and analysis, and devel-

oped the findings and recommendations.

The SCCOC's central leadership group is made up of around 50 individuals, including people and organizations relevant to achieving key initiatives and developing clusters. They create a sustainable infrastructure that is organized, trained and motivated to carry out South Carolina's long-term economic strategy.

The Mission on New Carolina!

The Council seeks to develop and drive South Carolina's long-term economic strategy by working with companies, government, universities, economic development organizations, and other groups to identify and implement actions and policies that are aligned with the long-term strategy, and that will boost the competitiveness of South Carolina firms.

You must go to the New Carolina web site and read the entire message and the successes that have already taken place since the founding of this dynamic organization. They are getting things done that others have just talked about for years.

Congratulations to Ed Sellers, George Fletcher and Amy Love, for an outstanding job and also to all the leaders of the New Carolina movement.

<http://newcarolina.org/new-carolina-movie.mov>

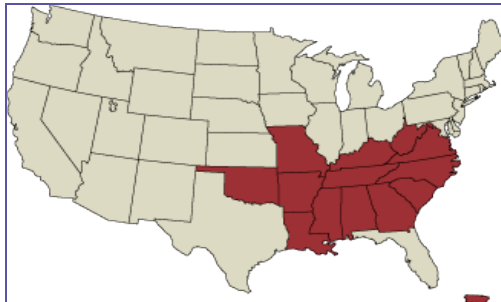
Annual South Carolina Patent Review

Southern Technology Council States

2005 Patent Results Show Overall Decrease

The South Carolina Technology Alliance has finished their review of our state’s patent results for 2005. We made progress and moved closer to the top rung by making it into the top four out of fifteen southern states. The worst performing states on a year over year patent results were as follows: Missouri with 74 less than year 2004, North Carolina and Florida tie at third with the weakest patent filings year over year percentages. We learned two years ago that patent growth is one of the most important factors to consider when communities want to improve their state’s innovation economy.

This past year was a good one for South Carolina. While many of the larger states across the South saw a decrease in their patent approval results, our state moved up in the ranking to number four in terms of year over year improvement. While ours was a small improvement, the indications are that our research universities, as well as, our inventor community across the state are beginning to understand the overall importance of these rankings.



for South Carolina. While many of South saw a decrease in their patent approval results, our state moved up in the ranking to number four in terms of year over year improvement. While ours was a small improvement, the indications are that our research universities, as well as, our inventor community across the state are beginning to understand the overall importance of these rankings.

For 2005 our state had a total of 550 patents approved, which is 12 more than last year.

of 550 patents approved, which is

The state of Florida leads the South with 2666 patents. With North Carolina’s research triangle posting 1882 or 44 less than 2004. Georgia and Virginia added 1391 and 1051, which placed them near the top of the South. Florida is still leading the way, which surprises many of our southern states, but they have large resources, top research universities, as well as, Orlando and the space center where new innovations are discovered everyday or two.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2005	2004
Alabama	29	24	36	33	38	27	26	35	48	12	39	22	369	381
Arkansas	7	13	17	12	24	13	12	7	14	10	40	11	180	140
Florida	209	221	293	199	301	210	162	185	292	171	220	203	2666	2710
Georgia	79	109	147	134	158	110	79	130	144	82	113	106	1391	1368
Kentucky	28	33	42	24	58	31	22	32	37	23	34	24	388	417
Louisiana	17	25	33	22	29	20	23	18	33	17	24	25	286	341
Mississippi	11	11	11	7	11	9	5	15	24	5	9	12	130	154
Missouri	53	66	72	48	80	67	41	73	99	36	49	43	727	801
North Carolina	129	152	172	136	182	124	127	203	209	155	150	143	1882	1926
Oklahoma	33	41	35	40	55	31	19	29	45	25	36	39	428	452
Puerto Rico	1	3	1	2	1	8	2	2	2	1	4	5	32	16
South Carolina	44	57	48	44	51	44	36	45	65	31	45	40	550	538
Tennessee	63	41	83	65	84	45	42	75	71	48	48	48	713	804
Virginia	89	94	89	72	89	91	72	107	113	66	89	80	1051	1036
West Virginia	11	10	13	4	8	7	7	11	11	4	8	5	99	103
Total	803	900	1092	842	1169	837	675	967	1207	686	908	806	10892	11187



1201 Main Street, Suite 1920
 Columbia, South Carolina 29201 USA
 Phone: 803-748-1323

*Terabyte is published quarterly by : Thomas E. Persons,
 President & CEO, South Carolina Technology Alliance.*

*E-mail hightech@sctech.org with your thoughts or suggestions
 for **The Terabyte***

*Terabyte: A unit of computer memory or data storage
 capacity equal to 1024 gigabytesone trillion bytes*

SCMEP and SCTA partnering for the future!



Order your Auto Tag Today!

South Carolina Venture Capital Investment Act

SECTION 45: PUBLIC FINANCE

VENTURE CAPITAL INVESTMENT ACT OF SOUTH CAROLINA

SECTION 11-45-40. South Carolina Venture Capital Authority; appointment, qualifications and terms of directors; authority; conflict of interest.

(A) There is created, within the South Carolina Department of Commerce, the South Carolina Venture Capital Authority.

(B)(1) The authority must be governed by a board composed of seven directors, one of whom must be appointed by the Speaker of the House of Representatives, one of whom must be appointed by the Chairman of the House Ways and Means Committee, one of whom must be appointed by the President Pro Tempore of the Senate, one of whom must be appointed by the Chairman of the Senate Finance Committee, and three of whom must be appointed by the Governor, one of whom shall serve as chairman. No sitting member of the General Assembly may be appointed to serve on the board in any capacity including an ex officio capacity. Directors must be selected based upon outstanding knowledge and leadership, must be knowledgeable in the management of money and finance, and must possess experience in the management of investments similar in nature and in value to those of the designated investor groups. Directors serve for a term of office of four years and until their successors are appointed and qualify, except that of the initial directors appointed the member appointed by the Speaker of the House of Representatives shall serve for an initial term of two years, the member appointed by the President Pro Tempore of the Senate shall serve for an initial term of two years, and one member appointed by the Governor shall serve for an initial term of two years as designated by the Governor so as to allow the terms of the directors to be staggered. Any appointments to the governing board of the South Carolina Venture Capital Fund made prior to the effective date of the creation of the South Carolina Venture Capital Authority as established by this chapter shall expire on the effective date of the creation of the authority, and appointments to the governing board of the authority shall be made as provided in this section and shall supercede these prior appointments.

For a copy of the complete ACT: <http://www.scstatehouse.net/code/t11c045.htm>

The Newly Appointed South Carolina Venture Capital Authority:

Mr. Chad Waldorf	Partner	Sticky Fingers Restaurants	
Mr. Bud Nalley	President	Nalley Properties	
Dr. Stephen A. Imbeau	Physician	Allergy, Asthma & Sinus Center	
Mr. Michael Space	CFO	Roche Carolina	
Mr. Steve Swanson	Chairman	ATD Auto Trading Desk	
Mr. Thomas E. Persons	President & CEO	SC Technology Alliance	
Mr. John Warner	Founder	Innoventure	