

Frank Cloutier

Good afternoon, and Thank you for the opportunity to speak today on behalf of an organization I feel very strongly about – Oregon BEST. My name is Frank Cloutier, and I am the CEO of Inspired Light, a company that is dedicated to making clean energy profoundly more abundant and inexpensive

First perhaps a little background is appropriate for me to set the context of my testimony.

For 32 years I worked at Hewlett Packard – most of that time in the Corvallis Or facility. I retired (I prefer to say graduated) from HP in 2005 as the Vice President and Chief Technology Officer of HP's Imaging and Printing group – roughly a quarter of HP's 100 billion annual revenue at the time. During my tenure with HP, I was fortunate enough to start a couple of key business. People still refer to me as the 'father of HP's inkjet business – although I suppose most would consider me the grandfather at this point. I was also the General Manager that started their notebook computer business – again all done from our Corvallis facility. Each of those business grew to the #1 mkt share in the world in their respective areas. Employment at the Corvallis campus grew to a peak of 7700 employees, and a similar number of contract workers. At that time I am told we were the largest private employer in the state of Oregon.

I am now CEO of one of the smallest companies in Oregon.

However our goal is no less than to do for solar energy production what we did in changing printers from the old noisy, expensive impact dot matrix monsters to current photo capable inkjets.

It is well known in the scientific community that the sun delivers enough energy to the earth every day to supply 100% of the utility needs of the entire planet for a year. While we are very enthusiastic about the potential of solar energy, it has fallen out of favor with many. One key reason is that even after 30 years of intense development in silicon solar cells, they only convert about 15% of the sun's energy that hits them to electricity.

In early 2012 we went to Oregon BEST with what we thought was a solid plan to produce solar panels with an entirely new approach. One that would generate over twice as much energy per panel. And the real breakthrough: these new panels would actually be cheaper to produce than the cheap Chinese panels we hear so much about today.

Thanks in no small part to our partnership with Oregon BEST, we currently have a prototype line running in Corvallis and producing panels that are **more** efficient than our original proposal.

Those that say it can't be done, need to get out of the way of those who are doing it.

I'd like to focus now on specific ways that the BEST organization has been critically important to us.

We learned about BEST through press releases where they had assisted others, as well as interacting directly with one of the programs they support - the OPIC solar lab in Corvallis.

1). Before we were selected to receive the BEST grant, they put us in contact with other organizations that were doing complimentary work that proved important to our development. Because of people like Ken Vaughn were talking to multiple organizations in the clean energy area, took it upon himself to 'connect the dots' when he saw organizations or individuals that would benefit from talking to one another. How else would two organizations that are cloaked in secret learn they are working on complimentary (and not competitive) areas, and $1 + 1 = 10$.

2). Although the total amount of grant funds is not large, it comes at a critical time. This early in the development phase, banks consider you far too risky, and venture capital companies consider you far too small and unproven to be worth the time to evaluate.

3). Many people underestimate the profound power of small insightful teams. Every breakthrough that I am aware of in the 20th century – the transistor, the microwave, the laser, the integrated circuit, and inkjet printing- all came from small teams – working inside large organizations called corp research labs. Unfortunately few, if any, of those labs exists today....

breakthrus usually occur in small teams, but they need access to sophisticated resources. small business are nimble and move very fast. Large business, like big gov't, takes forever even to do the obvious. The risky has grown increasingly unpopular in that environment.

BEST is able to bring together the high tech incubator resources of universities, and the world class research centers that Oregon is investing in today along with small startups that have the experience and expertise in not only building new technologies, but new businesses.

4). Because BEST takes the time to understand the companies they work with intimately, they develop an appreciation for the organizations that are not only committed to business or technology, but to Oregon. Companies that are deeply rooted here, and will produce long term jobs here. BEST knows whether these are just slogans on a piece of paper, or seared in the hearts of the management teams.

5). Eventually if the companies are successful, they will need access to larger funding opportunities. BEST has helped Inspired Light in a couple of key areas here.

A. Applying for US DOE grants

B. Angel investment groups

C. World Class Strategic Partner and Venture capital forums like Cleantech.

6). Through session like BESTFEST, BEST brings together government, private, university, and small startups that learn of unique ways to take advantage of each others efforts and resources. I found out about a number of DOE opportunities, during talks, and then met potential strategic partners during the company poster / exhibition session. They also supported a dinner the night before of investors, IP attorneys, etc.

6). Now let me tell you about a time when I was somewhat irritated with BEST. Because we have been so sensitive to IP protection and being 'stealthy', I was concerned when after learning that BEST had decided to award us the GRANT that they wanted to do a press release. We worked closely together however and finally came up with a statement that all could agree with. The week after the press release was published I got a call on my cell phone. It was a potential customer that found out about us through that release. Since that time, and after many meetings, the customer has turned out to be potentially a very LARGE customer, and we are currently deep in discussion around a number of engagements.

finally, Inspired Light is about more than making scientific or even commercial breakthrough's. It's about building a company passionate about making contributions to customers, employees, and lastly - shareholders. The jobs we create are not only well paying, but are the kind that make you feel good about going to work in the morning. They are the kind that you'd want to work for even if you didn't get paid (again, I should know). While I can't say that all of the organizations that BEST has supported have my

ceo salary philosophy, These are the kind of organizations that BEST is finding and giving pivotal support to.

I urge you to continue to support and even expand the funding of their organization in the next biennium.

Thank you for listening...