



750 SW C Ave Apt 4  
Corvallis, OR 97333  
www.gadusollabs.com

February 19, 2019

Representative John Lively, Chair  
House Committee on Economic Development  
900 Court St. NE  
Salem, OR 97301

RE: Support for the Oregon Innovation Council (Oregon InC); SB5524

Dear Chair Lively, Vice-Chair Bonham, Vice-Chair Fahey and Members of the Committee,

I am writing in support of the Oregon Innovation Council (Oregon InC) programs administered by the Innovation & Entrepreneurship (I&E) division of the Oregon Business Development Department. Oregon InC provides critical guidance into how best to invest limited dollars to support innovation in Oregon. In addition, Oregon InC provides critical funding for early-stage companies trying to commercialize technology and create the next generation of Oregon businesses. Funding for businesses at this stage is very difficult to find, and Oregon InC's programs help fill these gaps.

Gadusol Laboratories is an Oregon State University spinoff company focused on commercializing new natural sunscreen ingredients. These ingredients have the potential to meet a huge market need, as chemical sunscreen actives such as oxybenzone and octinoxate are beginning to be outlawed in the U.S. due to their damaging to the environment and potential human health issues. However, in order to bring these ingredients to market, our novel production technology needs to overcome the "valley of death." Although we are the recipients of SBIR federal funding, there are limitations to these funds, and seed-stage supplemental funding is required to obtain additional federal funding (\$750k+) to reach commercialization. This Oregon InC critical funding fills that funding gap, enabling companies like ourselves to continue to de-risk projects and ultimately be able to make sales. **Without this essential funding, companies like ourselves would not be able to continue and the number of technology-based startups in Oregon would drastically decrease.**

Oregon InC's programs help ensure that Oregon's entrepreneurs are not at a disadvantage compared to their peers in other states that have similar types of support programs. In addition,

Oregon InC's funding leverages private investment and federal government grants, which magnifies its impact on Oregon's start-up community. We are solid supporters of Oregon InC and its programs and will continue to work with the Council and the I&E division in the coming biennium to help Oregon's entrepreneurs be as successful as possible. **We strongly encourage the Legislature to continue to fund this critical effort.**

Sincerely,

A handwritten signature in black ink, reading "Kathryn Pettinger", written over a horizontal line.

Kathryn Pettinger, Managing Director  
Gadusol Laboratories