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**COMMONWEALTH OF PENNSYLVANIA**

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## **KEYSTONE INNOVATION ZONE PROGRAM RECEIVES NATIONAL RECOGNITION**

***KEY ECONOMIC STIMULUS INITIATIVE CREATING JOBS IN COMMONWEALTH'S TECHNOLOGY SECTOR***

**HARRISBURG** – Pennsylvania's commitment to economic development has gained national recognition from the National Governors Association's Center for Best Practices and the Pew Center on the States.

In a joint report, "*Innovation America: Investing in Innovation*," the organizations recognized Pennsylvania's Keystone Innovation Zone program, a vital part of Governor Rendell's economic stimulus package aimed at bringing universities, early stage companies, entrepreneurs and communities together to boost business development and job creation.

"When I took office in January 2003, two of my top priorities were to create more opportunities for recent college graduates and boost Pennsylvania's position in the global marketplace," Governor Rendell said. "Through strategic programs like the KIZ program, we have been able to achieve both, and much more.

"By strengthening the relationship between the higher education and the advanced technology industry sectors, we have created entities that are providing college students on-the-job experience, research institutions the opportunity to commercialize new innovations and developing companies the tools and resources they need to grow."

The report highlighted four essential components for economic development innovation. Pennsylvania's KIZs – along with programs from California, Georgia and Oregon – received a commendation for the "interaction" component, citing the use of state funding and tax credits to encourage universities and research institutions to physically partner with local entrepreneurs. The report highlighted "expertise," "diversity" and "application" as the other core components necessary for true innovation.

Governor Rendell launched the KIZ program in early 2004 as a way to capitalize on the commonwealth's network of quality universities. By encouraging those institutions to partner with community organizations and businesses, the program is designed to promote job growth in technology-related industries. Partners may also include business support organizations, commercial lending institutions and venture capital firms.

To date, more than \$10.8 million has been invested in 29 KIZs across the commonwealth. This has led to the creation of 1,966 jobs, the retention of 2,763 jobs, the formation of 282 new companies and the leveraging of \$368 million in new investments.

The National Governor's Association's Center for Best Practices is a consulting firm for governors and their key policy staff. The Center's mission is to develop and implement innovative solutions to public policy challenges.

The Pew Center on the States, a division of The Pew Charitable Trusts, examines effective, nonpartisan policy approaches to critical issues facing states through research, analysis and collaboration.

For more information about the Keystone Innovation Zone program and any of Governor Rendell's economic stimulus programs, visit [www.newPA.com](http://www.newPA.com) or call 1-866-466-3972.