

Companies to Watch: Indiana Innovation

Economic development and job creation are top priorities for Indiana, especially during these challenging economic times. Small and medium-sized businesses provide the backbone of our economy, and we are proud to champion their success. The fourth annual Indiana Companies to Watch recognizes some of these high-performing, second-stage businesses.



France A. Córdoba

It is important to note that while Indiana constitutes just 2% of the country's population, it provided 10% of the total U.S. private sector employment growth, according to a 2010 report by the National Federation of Independent Business. Purdue and other Indiana higher education institutions are important contributors to this trend.

Purdue helps drive economic development in Indiana in many ways.

- Our Certificate in Entrepreneurship and Innovation trains students as entrepreneurs through class projects and activities that mimic the type of collaboration encountered in both large and small companies. More than 2,800 students have completed the program's introductory course, and nearly 800 received the certificate last semester.
- Purdue's statewide Technical Assistance Program completed projects with 541 employers in 82 counties in 2010. These employers reported \$54 million in increased or retained sales, \$6.8 million in cost savings, \$26 million in capital investments and 1,098 jobs created or retained.
- The Purdue Research Park network provides an annual impact of \$1.3 billion to Indiana's economy. The Purdue Research Park network is one of the largest private employers in the state, has invested more than \$584 million in infrastructure and provides \$48 million in annual tax revenue for Indiana.
- Research investment in the university continues to grow. Last year, we reported a 28% increase – \$438 million – in research funding and in the number of new patents issued for Purdue technologies. Every \$1 million in funding supports employment for seven employees and leads to new patents and start-ups that support Indiana's economy.

Congratulations, on behalf of Purdue University, to this year's Indiana Companies to Watch, truly our "Best in Class". You make Indiana proud and we wish you continued success. Together, we make Indiana strong!

France A. Córdoba
President
Purdue University

Navigating Through Second Stage

When it comes to transforming Indiana's economy, Indiana Companies to Watch honorees are playing a critical role. These growth entrepreneurs are creating new products and services, developing new technologies and industries, and establishing national and global markets that bring new dollars into the state.



Photo by John Kelly Photography

Darlene Lowe

Companies to Watch not only celebrates the many contributions that second-stagers make, but also recognizes the challenges they encounter. People often believe that when an entrepreneur has made it past the start-up phase, it's all smooth sailing. But second stage brings on a new set of issues – something that Ed Lowe knew all too well.

Ed introduced Kitty Litter in 1947, and by the late 1950s the business was making more than \$1 million in sales. Like any start-up entrepreneur, Ed initially struggled to find customers and build a market, but success introduced different problems to tackle. Among them:

- Expanding physical facilities and improving manufacturing efficiencies to meet the growing demand for Kitty Litter
- Developing formal processes and procedures to provide product consistency, improve quality and scale the business
- Bringing in a new level of talent, including experts in finance, advertising, engineering and operations

Learning to let go and delegate was one of the most difficult changes Ed had to make in second stage, for he loved having his hands in every aspect of the business. Yet he knew that, if the business was going to continue to grow, he would have to stop wearing so many hats and work on the big picture.

One of the things that helped Ed most during second stage was talking with other entrepreneurs — people who were going through the same growing pains he was. And though Companies to Watch is primarily about recognition and celebration, it also gives growth entrepreneurs from around the state a chance to connect.

That's important because entrepreneurs view the world from a special lens. They see the extraordinary in the ordinary and turn problems into possibilities. They also have the tenacity and temperament to act on those opportunities, which is why Indiana's future remains bright. Even though the road may be rocky at times, growth entrepreneurs continue to question, innovate and surmount whatever obstacles they encounter.

Congratulations to the 2011 class of Indiana Companies to Watch honorees! Take great pride in what you've already accomplished – and remember that your hard work is making Indiana a more vibrant, prosperous state.

Darlene Lowe
Chairman
Edward Lowe Foundation