



## **Driving Today's New Economy: An Economic Impact Study of the Purdue Research Park Network**

**Client: Purdue Research Foundation**

**Year: 2011**

### **Project Description:**

The Purdue Research Foundation is a private non-profit foundation charged with advancing the mission of Purdue University. The Foundation oversees the largest university-affiliated business incubation program in the country: the Purdue Research Park network. Since its creation in 1961, the Park network has grown to include four locations across the state and 216 companies. The Park network ranks among the largest employers in the State. This incubation program has had a large impact on the State of Indiana's economy. To fully understand its economic impact and visibly demonstrate to its stakeholders its true role in driving the State of Indiana's economy, it was important for the Foundation's leadership to engage an independent consulting firm that could fully capture the Park network's impact. The analysis would not only show current economic impact, but would also address challenges and growth opportunities for the program.

The Park network tasked Thomas P. Miller and Associates to quantifiably measure and analyze the Park network's impact on Indiana's economy in both traditional and new economy development standards. Traditional economic impacts include output, jobs and taxes generated by the Park network. New economy assessments focus on metrics, which address economic dynamism and the creation of an asset base. Thomas P. Miller and Associates believed that combining both forms of assessment would lead to a more robust and detailed analysis of the Research Park network's economic impact.

### **Approach**

In order to fully capture the Park network's economic effect on Indiana, Thomas P. Miller and Associates utilized a variety of methods to capture data. It conducted interviews with stakeholders, assessed relevant Purdue Research Foundation data, files and reports, and revised an existing survey to collect and evaluate employment data information.

### **Key Findings:**

This report was the first of its kind for the Park and offers findings that not only demonstrate the Park network's positive impact over its 50 years of existence, but offers guidance for its future. Among the findings, the study states that, accounting for unpaid and part-time employees, the network's activities generate more \$1.3 billion in annual impact and 10,000 jobs for Indiana, while contributing \$48 million to state and local taxes. It has also brought \$49 million in federal research and development grants for small businesses to the state since 1987. In addition, the report finds the average wage for workers is 65% higher than the state average. Combined, the park network is a top-20 private employer in Indiana. The report also points out major challenges for the Park's future growth including continued access to capital and the identification of ideas and technologies with market potential. With the identification of challenges, the final report also offers guidance for moving the Park network forward.