

June 20, 2008

## Hawai'i 28th in tech rankings

*Advertiser Staff and News Services*

Hawai'i doesn't have the cache of a Massachusetts or California when it comes to technology and science rankings, but a new report shows the state is starting to make inroads as it tries to boost its high-technology sector.

The state jumped 11 spots to the No. 28 position in the Milken Institute's State Technology and Science Index since its last publication in 2004. Only one other state, North Dakota, had a bigger gain during that period.

"Hawai'i's ability to attract high-quality human capital and financing has translated to a rapid rise of 11 spots in the overall rankings," said the report, which noted a the state has focused on attracting small businesses, especially those targeting clean energy and life sciences.

Another part of it noted the state also is helping out companies seeking to commercialize defense-related dual-use technology and that recent legislation is attempting to put the state on the map as a leader in bioenergy and other energy-efficient technologies.

"The appeal of the state's natural beauty and its relaxed lifestyle will only magnify in the near future as baby boomers, the most educated work force in U.S. history, enter semi-retirement and choose locations that combine an appealing lifestyle with the ability to stay in contact with high-tech work opportunities," said the report.

Elsewhere it said Hawai'i scored well for state appropriation rankings and advanced degree holders as a percentage of the total population.

The study also found that Massachusetts remains the "gold standard" for mining economic growth from technology and science, while California is losing its luster.

The report has ranked Massachusetts as the United States' top technology incubator all three times that it has been compiled since 2002.

The report attributed North Dakota's rapid rise to government programs that have helped keep tech-savvy workers in the state.

But California slipped from second place for the first time, despite being home to Silicon Valley's fount of innovation.

Drawing upon a complex index that analyzes a variety of factors, the Milken Institute dropped California to fourth place in its 2008 rankings. The rankings are swayed by a state's entrepreneurial environment, population of technology-savvy workers and government commitments to education and other programs that plant the seeds for more tech growth.

The Milken Institute, a Santa Monica-based think tank, assembles the index in an attempt to identify states that appear to be in the best position to foster innovation and, theoretically, cash in on the resulting benefits.

Mississippi ranked last in the rankings for the second consecutive time. West Virginia, Arkansas and Kentucky all remained in the bottom five, just as they were in the last report in 2004.

Overall, though, more states appear to be doing a better job cultivating technology and science, said Ross DeVol, the Milken Institute's director of regional economics.

"States are starting to recognize they need to change because, as a country, we can no longer compete using the low-cost, low-skill formula of the past," DeVoi said.

---