Rocket agency plots its trajectory
New director eyes smaller investments
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The University of Toledo hired a new executive director to oversee a fresh approach for its nonprofit economic development agency, which previously faced scrutiny for its investments and a lucrative contract paid to a former leader.

Norman Rapino, from the University of Michigan, says he wants to continue the philosophical shift begun by the agency’s interim chief executive officer, Rhonda Wingfield.

Norman Rapino started last month as the executive director of Rocket Innovations, replacing interim chief executive officer Rhonda Wingfield. Since March, 2014, she had split her time between the agency and her job in UT’s budget and planning office.

The university will pay Mr. Rapino a $110,000 annual salary. He received his doctorate in chemistry and a master’s degree in business administration from UT and did postdoctoral research in biochemistry at the former Medical College of Ohio.

Officials are framing Mr. Rapino’s arrival from the University of Michigan, where he worked with that school’s Center for Entrepreneurship, as the continuation of a philosophical shift at Rocket Innovations.

The agency will focus on making smaller investments primarily in companies and products created by UT faculty or students. To make investments less risky, it will urge and assist those seeking money to first obtain state and federal grants to vet and improve the products and technology they develop.

“The idea that you have to take money from your fund and be the first dollars in has sort of evolved,” Mr. Rapino said. “You use government money that they give willingly to help identify things that are promising and, at very low cost, identify things that are not.”

The aim, he said, is “all about de-risking.”

Rocket Innovations’ new direction began under Ms. Wingfield. She helped revamp the agency, previously known as the University of Toledo Innovation Enterprises, after the 2014 resignation of former chief executive officer and board chairman, Rick Stansley.

Mr. Stansley, a former UT board of trustees chairman, had a university contract to run the agency that netted him nearly $1 million over three years.

The agency came under scrutiny for certain investments, including $3 million to solar-panel maker Xunlight Corp., which filed a Chapter 7 bankruptcy liquidation petition in 2014. The agency wrote off its investment in the company as a loss, university spokesman Meghan Cunningham said.

After Mr. Stansley’s departure, the agency separated the roles of CEO and chairman of its board.

UT’s board of trustees last week approved an amended code of regulations for Rocket Innovations. It specifies the agency’s board will include the university’s president, provost, vice president of research, and the chairman of the board of trustees. Some representatives of those offices had worked with the agency in the past, but the revised code formalizes their roles and creates a stronger connection between Rocket Innovations and the university, Ms. Cunningham said.

In 2008, UT trustees gave UTIE $10 million from auxiliary services such as parking fees, the campus bookstore, food service, and other non tuition sources to invest in start-ups.

Of that, $596,432 remains uncommitted and available for Rocket Innovations to make future investments, Ms. Cunningham said. The agency is currently invested in 16 companies.
There are no plans in the immediate future to request more university money, said Bill Messer, UT’s vice president of research and a Rocket Innovations board member.

Current coffers are sufficient for the agency’s plans to make smaller investments of about $100,000, instead of making “huge investments in single companies,” Mr. Messer said.

“We are all about helping our community and helping our local companies to thrive and flourish, and I do think we have that responsibility. Now, do we need to be the sole investors in those? No, that’s not our role,” Mr. Messer said.

Rocket Innovations will help fledgling businesses obtain state funding to build prototypes and get grants from federal sources such as the National Science Foundation.

Mr. Messer also wants to more closely align Rocket Innovations with UT’s colleges and engage faculty and students in entrepreneurial and research opportunities.

UT is strong in engineering, health care, and education technology — fields that are ripe for entrepreneurial efforts, Mr. Rapino said. He listed drug design and software as among potential marketable innovations.

“Big ideas can turn into big companies from anywhere if you have the right resources to apply,” he said.

Mr. Rapino also plans to discuss and develop business ideas with faculty members.

“Anybody who has the entrepreneurial fire in their breast will find me as a willing conversation partner to bring resources to them to help them achieve their goals,” he said.

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