



## FY 2011 Funding for the U.S. DEPARTMENT OF ENERGY INDUSTRIAL TECHNOLOGIES PROGRAM April 2010

**Position:** The Council for Chemical Research (CCR) supports an FY 2011 budget of **at least \$200 million for the Industrial Technologies Program** of the U.S. Department of Energy; this is consistent with the authorization in the **Energy Independence and Security Act of 2007, Title IV, Subtitle D, Section 452**. As a true public-private partnership, this program would provide immediate impact and help achieve substantial gains in energy efficiency, ensure the competitiveness of industries engaged in global markets, create jobs and reduce environmental impact through **Sustainable Manufacturing**.

**Who We Are:** CCR is a non-profit organization dedicated to advancing multi-sector, multi-disciplinary research in the chemical sciences and engineering. Its member organizations – companies, universities and government laboratories – are represented in CCR by their research leaders.

We recognize the budget constraints faced by Congress but strongly urge that funding for physical sciences research be strengthened as an investment in our Nation's future. Our studies (<http://www.ccrhq.org/publications>) and those of others demonstrate that Federal investments in chemical science research yield significant payback for the US economy. **Every dollar of Federal investment is leveraged by \$5 of private investment; this investment generates ten dollars of operating income for industry (a 17% annual after tax return), the economy gains roughly \$40 in GDP, \$8 in increased tax revenues, and creates 600,000 new jobs over the ensuing 20 year period.**

### Rationale

Through this very successful program, the DoE and chemical and allied industries jointly fund cutting-edge research that has and will continue to provide:

- Improvements in energy efficiency in industries that make a very large impact in domestic energy use and decrease our dependence on imported petroleum and natural gas.
- Pre-competitive R&D that is beyond the normal risk profile of the industrial sector, a critical factor in moving technology into the marketplace.
- Breakthrough energy efficient industrial processes that benefit entire industries and help companies meet their voluntary greenhouse gas reduction commitments.
- **Sustainable Manufacturing** technologies to develop alternative feedstocks and new materials, improve energy efficiency, develop new generation chemical manufacturing technologies, and reduce waste and water usage.
- Opportunities to bring advances in new fields such as biotechnology, nanotechnology, and micro-systems, thus enabling mature industries to become more energy-efficient and globally competitive.

The DoE Industrial Technology Program is successful because it:

- Catalyzes productive interactions among industrial, academic, and government laboratories.
- Partners effectively with industry to incorporate best practices driving greater energy efficiency in manufacturing.
- Provides stability to an industry that creates jobs and a positive trade balance. Translation of R&D to commercialization is a high risk venture, where roughly only one out of every 125 research projects results in successful commercialization. Continued Federal investment will maximize success and stimulate job creation and economic growth. Furthermore, a permanent R&D tax credit will create stability for our industry and encourage private sector investments.