

ITI Meeting

Concerns:

For several years now, I have been deeply concerned about the future of ITI...

Because of recent events, I am now convinced that ITI is headed for the edge of the cliff...

- i) It will either become financially insolvent
- ii) Or it will continue to evolve into a low-level job shop and training center, doing very uninteresting work, in an effort to keep the wolf from the door.

As the retreat we held last spring demonstrated, ITI is one hell of a long ways from the "world class research institute of industrial technology" that we had envisioned when it was formed.

My own concerns have been shared...and shaped...by a number of others...

Gerry Elson (who finally gave up and withdrew from the Board)
Bill Brown (who is about to do the same)
Sam Irwin (who managed to stick it out)
Chuck Vest, Dan Atkins, Arch Naylor,...and all of those many other faculty who played key roles in getting ITI up and off the ground.

Problems:

- i) ITI has no intellectual content
 - ...it is simply too small to conduct the kind of cutting-edge work originally intended
 - ...it has been unable to attract scientists or engineers of any major national reputation
 - ...ITI as it now stands, is largely an administrative structure characterized by an enormous overhead to do very little of value
- ii) ITI has no linkages to intellectual content--particularly to the UM
 - ...try as we all might have, we have simply been unable to build any meaningful relationship between ITI and the UM
 - ...I am now firmly convinced that the blame lies primarily with ITI
 - ...and perhaps with the Board
 - ...since many, many folks at UM have devoted lots of time to building such relationships without success
 - ...furthermore, during the past decade, UM has built as strong and as broad an effort on industrial technology as anywhere in the US...and yet ITI simply has been unable...or unwilling... to take advantage of this to build its own intellectual momentum
 - ...in fact, George has really done absolutely nothing to build relationships with Peter or Joe...and there are some on his staff who will do their best to keep any such relationships from developing or flourishing.

- iii) ITI is now being operated much as a small spinoff company...
 - ...with a Board far more experienced in managing a “quarter-by-quarter” operation than a research organization
 - ...with enormous overhead
 - ...and with no viable product...at least that I can see
- iv) I am VERY concerned about the viability of future funding of ITI
 - ...Kellogg is becoming concerned (and I have been approached by members of the Board raising these concerns)
 - ...support from the State of Michigan is problematical..
 - ...the Michigan Strategic Fund is dead
 - ...other Blanchard constructs will probably fade away or be restructured (e.g., the Technology Transfer Network)
 - ...support from Washington will be harder and harder to get...
 - ...unless you have some real horsepower (which ITI doesn't)
 - ...the UM is unable to help through efforts such as refinancing since ITI really has no relevance to any of our academic programs

Other Concerns:

- 1) After making several efforts to get things turned around, I finally gave up. I must admit that I adopted the attitude of benign neglect.
back and
- 2) But, I now realize, that if ITI goes off the cliff, the U of M will be tainted to some degree, for while we have always been kept at arms length, in the eyes of many, we are in part responsible for ITI.
- 3) Furthermore, lots of folks are going to be madder than hell that almost \$100 million has been spent, with remarkable little accomplished.

Proposal:

Hence, I'm going to make one last effort to salvage something from this effort.

But I'm going to approach it in a different way.

I've asked Peter and Joe to work with their faculty to put together a workable plan.

It is a bit draconian, since, if implemented, ITI as we currently know it will cease to exist.

But it will result in something of great value to the people of this state and the nation.

It will prevent all of us from getting a very big black eye...

And, I must say, I think it is the only option we have left!

Banks/White Presentation