

# Ambassador Francis J. Ricciardone

## Entrepreneurship Policy Conference Remarks

**November 13, 2012**

**TEPAV, Ankara**

It is a pleasure to be here with you today and an honor to share participation in this program with Union of Chambers and Commodity Exchanges (TOBB) President Hisarciklioglu. I would like to thank the Global Entrepreneurship Program (GEP) Turkey and TEPAV for sponsoring this entrepreneurship policy conference, in celebration of Global Entrepreneurship Week. Today, I want to recap some of our accomplishments together in the first year-and-a-half of the Global Entrepreneurship Program (GEP) and note some upcoming GEP initiatives. I also have an important announcement to make about new initiatives underway between the U.S. and Turkey that will be of great interest to many of you here today.

First, a few observations about the context of American-Turkish cooperation to promote entrepreneurship and why we are doing this together. In his first trip overseas, President Obama came to Turkey and set out the purposes of U.S. diplomacy with Turkey. He pledged to “renew the alliance between our nations, and the friendship between our people.” Entrepreneurship is an important part of the renewal of our friendship, as it brings Turks and Americans together in building and constantly renewing a new, strategic economic partnership.

Entrepreneurship is an important reason that Turkey is among the fastest growing countries in the world, and Turkey already offers a sophisticated platform for entrepreneurs. Turkey has a vibrant culture; a young, educated workforce; and a diversified economic base. Nearly half of the 78 million Turks are on-line, giving Turkey the fifth largest Internet penetration in Europe.

Like Turkey itself, Turkish entrepreneurs have a global outlook and confidence in their ability to compete internationally. The Turkish Government’s management of the economy is making Turkey a hotbed of entrepreneurial activity, as is evident from the significant amount of attention international media give to Turkish entrepreneurship. However, in order to reach its goal of becoming a top 10 economy by 2023, Turkey must further expand its innovation sector to compete head-to-head with the world’s most dynamic economies.

We believe that all our discussions of entrepreneurship should be linked closely to increasing bilateral cooperation in science and technology, where entrepreneurship is essential. Science and technology are especially important to rapidly advancing countries like Turkey. Currently, Turkey’s “Research and Development Intensity” (R&D Intensity) – the ratio of R&D in GDP – is about 1%. Globally, the most competitive countries have R&D Intensity above 2%, and the Turkish Government has set the ambitious goal of 3% R&D Intensity by 2023. Toward this goal, the U.S. and Turkey have established a science and technology dialogue aimed at driving innovation and entrepreneurial exploitation of it.

We are here today as part of a formal program of cooperation established by the United States and Turkey to advance our economic relations and growth in both countries through promotion of entrepreneurship. In June 2011, TOBB President Hisarciklioglu and I signed a Memorandum of Understanding establishing the Global Entrepreneurship Program (GEP) in Turkey. In the last year-and-a-half, we have accomplished much together.

Last spring, GEP Turkey brought to Turkey 18 leading U.S. early-stage investors. The U.S. investors joined 6 Turkish investors in judging the Best of the Best Turkish Entrepreneurs Showcase, a two-day business competition in Istanbul involving 32 Turkish entrepreneurs. Deputy Prime Minister Babacan announced six winners at an awards ceremony in Istanbul, and several American delegates have since invested in Turkish companies. One of the winners of this competition was Infodif, an imaging company located in Hacettepe Technopark here in Ankara. I believe Infodif's General Manager Kerem Caliskan is here with us today. Kerem, could you please stand?

In early spring, GEP also brought to Istanbul prominent U.S. columnists who cover entrepreneurship and innovation. They offered workshops focused on how Turkish journalists can provide stronger coverage of Turkish start-ups. The aim is to foster more public awareness of Turkish entrepreneurs and celebrate their successes, which in turn will encourage more young Turks to follow in their footsteps.

And just last month, GEP brought Babson College Professor Candida Brush to Ankara to work with Turkish professors on how to teach entrepreneurship and develop case studies of successful Turkish small and medium enterprises.

Looking ahead, in 2013, GEP Turkey and TEPAV will open Garaj, an incubation center right here at TOBB University. Garaj will support early stage entrepreneurs in the Ankara area and help them graduate into established technoparks. GEP Turkey is also working with regional development agencies to develop stronger entrepreneurship ecosystems outside the Istanbul-Ankara corridor and has already started a program with Izmir Development Agency that we will hear more about later today.

We're also working with Turkey to promote entrepreneurship through other programs. For example, I'm very happy to announce that this Friday the U.S. and Turkey will launch a new Applied Technology Commercialization Program that will provide training to 40 Turkish participants. This program is sponsored by the U.S. State Department's Building Opportunity out of Science and Technology (BOOST) initiative, in partnership with the University of Texas at Austin's IC2 Institute, the Turkish Technology Development Foundation (TTGV), and Bilkent Cyberpark. Ten teams consisting of Turkish entrepreneurs, scientists, academicians, and technology commercialization professionals will receive over 70 hours of classroom training from IC2 Institute experts, as well as online training. The team with the best idea and business plan will be awarded a one-week trip to participate in a tech transfer workshop at the University of Texas. For those wishing to apply for this program, there will be an orientation meeting this Thursday, November 15, at Bilkent Cyberpark, where IC2 Institute experts can answer your questions. We have provided a flyer at the registration desk today with more information.

I want especially to acknowledge Turkish Technology Development Foundation Secretary General Mete Cakmakci, who is here with us today. Mete, I believe the BOOST Program, with its focus on exploiting intellectual property that comes out of Turkish scientific research, is a great model for sustained science and technology cooperation. I look forward to hearing more about this important program.

But GEP and the BOOST program aren't the full menu of U.S.-Turkish cooperation in science and technology and entrepreneurship. We have another acronym for you! The U.S. State Department's Global Innovation through Science and Technology (GIST) initiative identifies and supports high-potential technology startups. The semifinal round of the 2011 GIST competition occurred at

Turkey's Global Entrepreneurship Summit in Istanbul last December. Today, as I speak, one of the Turkish finalists in last year's GIST competition, Taner Yildirim from Ankara, is visiting entrepreneurship and innovation hubs in Silicon Valley, Boston, New York City, and Washington, DC, to learn about U.S. entrepreneurship, build business skills, network, and share his experience of starting a business in Turkey. The trip will culminate in Washington on November 15 with a "Celebration of Entrepreneurship" hosted by the White House. This year's GIST semifinalists will receive all-expenses-paid, two-day entrepreneurship training next month in Dubai, as well as three months of mentorship from entrepreneurship experts. The flyers that we provided at registration tell you more about Taner and other GIST Entrepreneurship Journey participants.

Let me mention yet one more American program to engage Turkey's youngest entrepreneurs. Over the past five years, our Embassy's Youth Innovation and Entrepreneurship Program has brought U.S. students together with over 2,500 Turkish students in 23 provinces throughout Turkey via online training, virtual classroom education, and exchanges. These activities are aimed at fostering innovation and entrepreneurship among high school students, and we will continue to support Turkish entrepreneurs and educators through efforts like these.

U.S.-Turkey bilateral cooperation in entrepreneurship is a long-term investment. Today in Turkey, only 6 out of every 100 people are entrepreneurs – a low rate given Turkey's high level of development. Insufficiently developed financial systems are one reason for this. Hence, we plan to work with GEP Turkey and other Turkish partners on projects aimed at better utilizing the capital that already exists here in Turkey, for example, to expand Turkey's financial sector to include more angel investing. We are also going to work with our Turkish partners to strengthen Turkish scientists' and inventors' abilities to commercialize scientific and technology innovation that is already happening here, through programs like BOOST. Additionally, our U.S.-Turkey Science and Technology dialogue should help Turkish Government agencies to develop metrics for the effectiveness of governmental science and technology grants and find ways to build new science and technology projects between our two countries.

Together, the U.S. and Turkey are building and exploiting the power of entrepreneurship to create prosperity and provide new economic opportunities. Together, we are establishing strong new partnerships, both between Turkish organizations and between U.S. and Turkish organizations. Americans and Turks share strong bonds of pride and confidence in ourselves and in our two countries' friendship and partnership. With all that we are doing together to promote entrepreneurship and innovation, I am very optimistic about Turkey, about the United States, and about our strong friendship into the future.

Thank you.