

Remarks at Ovation Networks Tour, Cedar Rapids, Iowa

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Acting Secretary of Commerce Rebecca Blank

Remarks at Ovation Networks Tour, Cedar Rapids, Iowa

Thank you. It's great to be here with all of you.

I'd like to thank Larry Selensky and the team at Ovation Networks for inviting us today and for the terrific tour they just provided.

I have to say I was impressed by my "behind the scenes" glimpse of how it all happens, how this one firm can do so much to assist people across the nation.

And it is all the more impressive given where Ovation was just three years ago.

II. Ovation Networks

In 2008, after the historic flooding in Cedar Rapids, Ovation Networks was displaced from its offices in the Gray Building.

As many of you know, Larry responded by opening up his home as a temporary office, allowing employees to keep working and making sure that Ovation's nationwide client base continued to receive their services.

Ovation's work couldn't be more important in our digital age. The wireless technology you developed and supported for the

hospitality industry is finding new applications that will help improve the medical care of Americans living in rural areas.

And I understand its new product, EcoManaged, is the wave of the future of energy management.

It is a testament to this company's management and ingenuity that even despite the hardships of the flood – both to people and to the bottom line – ovation was able to come back to the Gray Building – not just as strong as it was before, but stronger, hiring 25 employees since the flood.

And I understand there are plans to hire more than 60 new employees in the coming months.

III. EDA funding

This was possible thanks almost exclusively to the hard work of everyone at Ovation. But I'm proud to say that the Department of Commerce's Economic Development Administration played a small role.

In 2008, EDA awarded the East Central Iowa Council of Governments a \$1.5 million grant, which was used to establish a revolving loan fund to increase capital for companies to rebuild after the flood. Ovation took advantage of the opportunity. It used Council money to renovate office space and was able to hire new staff.

The Council of Governments has since used the EDA grant funding and additional money from the private sector [\[1\]](#) to help 15 businesses in the region. And those businesses created about 65 new jobs and retained 174 over the past two years.

Some of the companies that have benefitted from the Economic Development Administration's funding are:

- H & H Ventures, which retained 32 jobs and created 7 jobs;
- Sign Productions, which retained 56 jobs; and
- Involta, which retained 4 jobs and created 13.

IV. Today's announcement

Still, there remains a significant need for additional business funding as the region continues to recover from the 2008 disasters.

With that in mind, the Department of Commerce is announcing today that it is rewarding the East Central Iowa Council of Governments an additional \$2.9 million to help fund its loans-to-local-businesses program.

This assistance keeps true to President Obama's pledge that the federal government would make sure that Cedar Rapids' came back stronger than it was before the 2008 flooding.

The Council has told us that with today's funding, it expects to create or retain 600 jobs.

The Economic Development Administration is very proud of its partnership with the Council of Governments. As a designated EDA-funded District partner, the Council provides planning and technical assistance to local governments in Benton, Iowa, Johnson, Jones, Linn and Washington counties.

It's a partnership we value deeply.

V. Conclusion

We know, of course, that government can't solve all the problems facing our country. What we can do is work to remove barriers to trade and investment, create smart incentives and provide financial backing so that businesses in Iowa – and all around America – can build something special.

That's how we ensure that U.S. companies compete and win in the global economy. And that's what the administration will be focused on in the year ahead: Creating the conditions for sustainable economic growth and job creation.

Good luck, thanks for having me here today. Keep up the great work!

