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## Task force urges California to take lead in nanotechnology

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**SAN JOSE, Calif.**— California must make immediate investments in education and infrastructure if it wants to be at the center of the estimated \$1 trillion nanotechnology industry, a state task force recommended Monday.

Nanotechnology, the science of manipulating matter at the molecular level, has already improved the stain resistance in khakis, the bounce in tennis balls, and the moisturizer in lotions.

But that's only the beginning. The nascent sector promises countless other breakthroughs from toothpaste to spacecraft.

"The nanotech revolution is going to happen. The question is: Will California lead it? We're here today to make sure we do," state Controller Steve Westly said Monday, in announcing the recommendations of the nanotechnology task force he formed a year ago along with Rep. Mike Honda, D-San Jose.

Westly is vying for the Democratic nomination to run against Gov. Arnold Schwarzenegger in next year's election.

The committee found that California, with its world-class universities and private industries, is already well positioned to compete. But "urgent action" is needed for the state to achieve its potential in nanotechnology research, development and product commercialization, the task force said.

Its main suggestions revolved around increasing research funds and creating a climate of innovation, such as with tax breaks and boosting education.

Some of the specific recommendations for the state:

- Increase state funding for universities to compete for nationwide research grants and allocate matching funds for research in the private sector.
- Create tax incentives, including restoring a sales tax exemption for capital equipment purchases, or adopting a state income tax holiday for companies making investments in nanotech.
- Build special 'startup zones' adjacent to research universities and national labs.
- Promote the state as the world leader in nanotech by hosting events.
- Make it a high priority to teach children science and math, and train teachers and professors in nanotech.
- Track the health and environmental impacts of nanotech.

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