GO Virginia Region 2 Working Group Breakout Meeting
Meeting Minutes
June 16, 2017 9:00 am – 12:00 noon.

Location Roanoke Higher Education Center, Room 709
108 North Jefferson Street
Roanoke, VA 24016

Council Members in Attendance: Marla Akridge, Dr. John Capps, Dr. John Dooley, Dr. Angela Falconetti, Dr. Brian Hemphill, Don Hilliwill, Mike Hamlar, Dr. Victor Iannello, Terry Jamerson, Doug Juanarena, Debbie Petrine, John Putney, Dr. Ray Smoot,

Council Members in Attendance via Conference Call: Dr. Nathaniel Bishop, Dr. Eddie Amos

Council Members Not in Attendance: Dr. Nathaniel Bishop, Ab Boxley, Patrick Colligan, Kenneth Craig, Beverly Dalton, Dr. Michael Friedlander, E.W. Tibbs, Shannon Valentine, John Williamson

Others in Attendance: Ed Armentrout, Bob Bailey, Tracy Bildo, Melissa Bizjak, Ben Bowman, Eric Burchin, Kevin Byrd, Richard Caywood, Gary Christie, Brian Cosgrue, Beth Doughty, Sam English, Greg Feldmann, Lon Forehand, Jake Gilmer, Mave Gould, John Hammes, Marty Holliday, Devon Johnson, Jane Johnson, Pattie Jurkus (attending for Susan Martin), Jon Lanford, Rob Ledger, Jill Loope, Sarah Lyon-Hill, Robert McAden, Leo Mulcahy, Marc Nelson, Jay Poole, Dr. John Provo, Dr. John Rainone, James Ramsey, Dennis Reece, Sharon Scott, John Smolak, Ronnie Stephenson (Scribe), Bob Stolle, Dr. Scott Tate, Bryan Thompson, Elli Travis, Joyce Waugh, Eddie Wells (attending for Wayne Strickland)

I. **Speaker – Delegate Terry Austin, Virginia's 19th District**
Dr. Ray Smoot introduced Delegate Terry Austin of Virginia's 19th district. Delegate Austin spoke about why he's excited about the GO Virginia program, mentioning a recent effort to bring mechatronics classes to Botetourt County Technical Education Center and opportunities to recruit technically sophisticated firms to his area, as well as the significance of community colleges.

II. **Presentation – Introduction to GO Virginia Program**
Dr. John Provo provided an introduction to the GO Virginia program, recapping basic information about the program and emphasizing the program's purpose of growing higher wage jobs. Dr. Provo then introduced the Virginia Tech Office of Economic Development and explained its role as staff for the Region 2 Council. Members of the Office of Economic Development then presented demographic and economic data on Region 2 (see attached slides).
    a. Elli Travis of the Office of Economic Development presented on the people of Region 2, including population demographics, commuting patterns, and income.

b. Sarah Lyon-Hill of the Office of Economic Development presented on industries in Region 2, including job growth, existing and emerging industry strengths, and in-demand occupations

c. Dr. Scott Tate of the Office of Economic Development presented on industry targets and themes for Region 2, including common target sectors and common themes important for the region.

III. **Conclusion and Comments**

a. Dr. Smoot introduced the four working groups and directed attendees to move into the working group breakout rooms (see "Working Group Notes" below).

GO Virginia Meeting Note Template

Date of Meeting: 6/16/17

Title of Session: Access to Mentorship and Capital

Attendees: Greg Feldmann, Sam English, James Ramsey, Gary Christie, Bryan Thompson, John Dooley, Don Halliwill, Victor Iannello (Chair), Sarah Lyon-Hill (Facilitator), Ronnie Stephenson (Scribe).

Key Assets/Strengths: Our conversation begun with a discussion of existing resources that offer opportunities to access capital and formal/informal mentorship. These assets include:

Capital Assets	Mentorship Assets
SBDC and EDA regional gov't	RAMP, Roanoke
Lynchburg SBDC	HIVE, Vinton
TAP	Co. Starters, Lynchburg
Virginia Community Capital	Roanoke SCORE
Bank Loans	Colab, Grandin
CIT Gap Funds/CRCF	Lynchburg Business Development Center
New Richmond Ventures, Blue Heron Capital (Richmond)	Small Business Development Centers, Roanoke & Lynchburg
New Dominion Angels, Blu Venture Investors, New Vantage Group (Mid-Atlantic Firms)	Studio 2.0, Blacksburg
Charlotte Angels and PAN (NC Firms)	TechPad, Blacksburg
CAV Angels (University of Virginia)	Roanoke Public Library Consultations
757 Angels (active?)	VT KnowledgeWorks, Blacksburg
Commonwealth Group	ScaleUp Roanoke Valley
Virginia Tech Investment Network	Hacksburg, Blacksburg
VTC Innovation Fund	Star Tank, Roanoke
Midland Capital	Beans & Rice, Radford
Virginia Tech Angel Network	

Goals and Measurements: The group brainstormed specific goals both relevant to the working group's session (access to mentorship and capital) and to the ultimate objectives of Go Virginia: high wage job creation and growth in the private sector.

Goals	Measurement
Gain a better understanding of access to capital and other entrepreneurial resources in the region. Track progress so our region can address challenges more strategically in the future.	Multiple measures requiring an inventory of capital and other resources, as well as a way of capturing interactions with entrepreneurs and businesses. Not sure about measuring Angel and VC dollars with confidentiality issues.
Increase presence of early-stage seed funding and other funding found lacking in the region.	See above. Possibly track type of funding.
Increase coordination among resource providers in the region to streamline resource provision to entrepreneurs and existing businesses	Collaboration between regional groups. How to measure?
Increase the number of startups and small businesses creating and sustaining high wage jobs in the region	% contribution of startups and small businesses to regional employment. (Publicly Available Data)

Gaps/Obstacles: Many challenges emerged during our discussion. These included challenges relevant to the general subject matter of the breakout group, but also challenges specific to the particular goals that the group considered.

- The largest challenge in the region when discussing access to capital is often the debate between supply and demand. Does this region have enough supply of capital investment (for all business stages), or is the existing supply of investors too risk-averse? On the other hand, are our region's businesses and entrepreneurs ready to access that capital? Have they developed products and a business structure that is market-ready and primed for expansion so that they can easily appeal to capital investors? Hence the need for mentorship and making businesses capital ready.
- Even if investment firms or networks are located in this region, they are still look elsewhere for investment opportunities. Our region's businesses need to be competitive nationally to succeed.
- Many resource providers are not aware of all the resources available to entrepreneurs in the region, so they may not know where to send businesses and entrepreneurs in need of other types of help.
- Our region does not really have a baseline showing where we are.
- Measuring access to capital in our region will be challenging. Venture funds, capital funds, seed funds, and other private funding groups may have confidentiality agreements prohibiting access to the precise amount of dollars businesses receive each year. Companies and agencies often do not want to release this information.

Opportunities/Areas to consider for funding: The working group thought of types of activities that could help toward achieving the goals outlined above. While specific examples of projects came up, the objective of this discussion was to highlight broader areas of potential funding. Working group members particularly thought of activities that would benefit from a one-time in-flux of funds, leading to a larger regional impact.

- Activities that would encourage resource collaboration and capacity building among capital, mentoring and other business resource providers
  - E.g. Creating a job of someone overseeing resources
  - E.g. Creating a pathway through the system.
- Activities to help measure, market, and illustrate the region's entrepreneurial resources and successes.
- Activities/Funding for early-stage seed funding for entrepreneurs and businesses.
- Activities that would helping existing businesses, not just new businesses, expand.
- Activities to expand incubator/accelerator activities to make businesses capital ready.
  - E.g. Development of a common curriculum suitable for the region.
- Activities to jump-start or expand mentorship programs.

Additional data requested from workgroup participants:

- Map of entrepreneurship/development environment across the Go Virginia Region.
- Best practices of Collaboration for development and efficiency.
- SBIR/STTR and other public funding dollars in region
- Number of community college and university/college students in region

Growing Skilled Talent at All Levels Working Group

Date of Meeting: 6/16/2017

Title of Session: Growing Skilled Talent At All Levels

Attendees: Chair: John Capps; Facilitator: Elli Travis
Other Attendees: Ed Armentrout, Ben Bowman, Lon Forehand, Angela M. Falconetti, Marty Holliday, Debbie Petrine, Pattie Jurkus (attending for Susan Martin), Joyce Waugh, Eddie Wells (attending for Wayne Strickland), Jake Gilmer, Sharon Scott, John Rainone, Leo Mulcahy

Key Assets/Strengths: Our conversation began with a discussion of existing resources and programs that are helpful in training and attracting skilled talent in Region Two. Then we discussed opportunities to build on those assets.

Asset	Opportunities to Build
Educational programs (K-12, community colleges, the four medical schools, and universities)	● Expand innovative high school programs (project learning and 21st century skills) ● Expand financial support
Similar job clusters within the area	● Expand knowledge of manufacturing, healthcare, and education service cluster jobs
Workforce Development Boards	● Build on current efforts to foster Industry-sector partnerships. This can help with focus and efficiency
Credit for prior learning	● Expand and increase reach of program currently being formulated
Entrepreneurial assets	● Expand reach
Natural amenities (Trails, parks, natural beauty)	● Marketing
Data/data sources for workforce development programming	● Formulate plan for using the data we have access to collectively (workforce system, education, etc.)
Willingness to collaborate	● Industry, educational institutions and local governments in Region 2 are very willing to collaborate and share information (but need to do more of this)
Bridges Out of Poverty	● Currently exists in Alleghany & Lynchburg ● Coming to the NRV, how can we build on this?
Adult education programs	● Increase utilization. These programs are highly underutilized in Region 2

Goals: Following the discussion of key regional assets and opportunities for expanding them, the group discussed several goals that bring each of these initiatives together to support talent. As many of these goals are abstract, the group decided to focus on measurements of these goals at a later session:

- **Increased collaboration:** We need an increased willingness of stakeholders in the region to share knowledge, inventory, job opportunities, complementary services.
- **Strong Pipeline:** close interest gap, get employers to help build pathways, increase student preparation for next step beyond school. Define clear career pathways to address skills gap in the region.
- **Better knowledge of what the economy looks like to inform decision making**

Additional Opportunity areas to consider for funding:

- One-stop Shop with all training opportunities available in the region in one place (could be virtual)
- Develop sector partnerships
- Elevate K-12 for attraction
- Expand financial support for training/education programs
- Further streamline pathways, to reduce duplication efforts
- Help small companies upskill their own workers

Gaps/obstacles in the region: during the discussion, several gaps and obstacles in the region were discussed:

- Confusing to understand all the training opportunities that exist in the region
- Lack of funding for training/educational programs
- Need to improve collaboration/communication between local governments and educational institutions, as well as educational institutions and regional companies
- Duplication of efforts – need to streamline pathways

GO Virginia Meeting Note Template

Date of meeting: **6/16/2017**   Title of Session: **Promote technology for targeted industry clusters**

Attendees and Affiliations:

> **Doug Juanarena (Chair),** Angel Investors**; Marla Akridge,** Executive Director, Alleghany Highlands Economic Development Corporation**; Dr. Brian Hemphill,** President, Radford University**; , Bob Bailey,** Center for Advanced Engineering and Research**; Robert McAden,** Executive Director, Roanoke-Blacksburg Technology Council**; Marc Nelson,** City of Roanoke Economic Development**; Dennis Reece,** Citizens Telephone Cooperative**; Bob Stolle,** Senior Vice-President, Virginia Center for Innovative Technology**; Jay Poole,** Common Sense Strategies**; Scott Tate,** Virginia Tech Office of Economic Development (staff)**, Josh Hammes**, Virginia Tech Office of Economic Development, (staff).

Chair offered opening remarks and provided overview of workgroup process and focus. Staff facilitated discussion of key regional assets and strengths. The following is a summary of selected input:

Diversify
1. Virginia's former economic drivers have included government and military employment, so the state needs to identify new opportunities for private sector growth.
2. The region should identify and focus on high potential emerging industries.
3. Our higher education institutions are engines for technology and entrepreneurs to help companies start and grow.

Connect
1. Money will follow good ideas so there is a need to encourage universities to translate research to the private sector and to permit and encourage entrepreneurship.
2. We need to measure university spin-outs, start-ups, and technology transfer (both licensed and non-licensed).
3. There are opportunities for the region's universities to help attract and partner with larger companies.   Universities can also continue to enhance research assets and secure greater research funding. There is a critical need to better connect and leverage university research assets and activities in support of emerging regional industry sectors and start-ups.
4. Universities should examine and reshape policies on intellectual property and licensing to better support entrepreneurial activity. University presidents and senior administrators in the region could convene to identify best practices and collaborative opportunities related to commercialization, innovation and entrepreneurial activities.
5. Technologies related to systems and Internet of Things cut across a number of industries and there may be regional entrepreneurial opportunities related to helping companies better employ technology. For example, manufacturing companies are increasingly technology-driven. Perhaps the region can become a leader in helping companies employ and adopt technologies.

Compete
1. We should explore the technology horizon for opportunities (what new technologies and systems are on the horizon and cut across multiple industries).
2. The group reiterated the need to prioritize attention on industries with higher-wage jobs and to position the region to attract revenue from outside the state. Focusing on the region's technology sector and our emerging industries seems to align well with this priority.

The work group also discussed possible goals and measures:

Goal	Measurements and Questions
Focus investment on emerging industries and innovative technologies	What industries are included? How well are incubators and accelerators performing? How are they supporting companies in the region's target or emerging industries? Who are key stakeholders or resources?
Increase Spinoffs/Startups	Who are some successful spinoffs/startups? How were they funded? What are resource gaps?
Strengthen Talent Supply for Critical Sectors	What are the talent strengths and challenges related to our target and emerging industries? Can we analyze job postings, hires and openings to provide more detail for workgroup? What are barriers related to talent attraction and retention? Are there particular skill gaps or occupation shortages in the region?
Create infrastructure THEN work on branding	What are specific needs for emerging sectors related to infrastructure or talent? The UAV sector was cited as an example: before branding our region as a hub or exemplar, how can we better support the needs of existing companies and support start-ups and technology resources.
Consider focusing increased support and assistance on companies with a preponderance of higher wage workers ($80,000 plus salary level, for instance)	For example, what are the specific workforce needs of these types of companies? Can we quantify? Can we re-orient education and training to support opportunities and talent needs of these companies as opposed to focusing training on lower wage positions?
Recognize and promote regional success stories more effectively	Conduct an ongoing inventory of successful regional start-ups and growth companies. Communicate success stories and include companies that relocate out of the region as part of our success (we helped companies form and grow, even if no longer in region). Also, consider an inventory of key assets and regular marketing of success stories to target audiences.
Better mobilize regional coordination and support of critical target sectors and emerging industries.	Do we know our target and emerging sectors? Do we know why they are important? Are business leaders from these sectors actively involved? Are unique assets leveraged across geographic and political boundaries? Are indicators being utilized to benchmark and measure our progress?
Strengthen initiatives to create a better future through innovation and entrepreneurship in STEM fields	Investing in STEM will provide a talented future workforce and help grow our talent pipeline as well as reinforce the region's emphasis on technology. Consider the State Science and Technology 5 pillar framework for assessing progress.
Package one or more emerging industries as a program that helps the region stand out and incentivizes people to come	Consider examples from across the U.S. Places such as Silicon Valley, Research Triangle, Austin, and Boston are obvious examples, but look more broadly at regions like ours that have had success with particular sectors (examples such as a Cleveland focus on additive manufacturing- how has that worked?)

The work group also discussed opportunities/areas to consider for funding:

The Virginia Research Investment Fund was created last year to provide funding to higher education institutions where grants may be awarded to proposals regarding applied research, development, and commercialization of the products or services resulting from the research. Each institution may submit two as lead applicant but can participate as a partner in unlimited additional applications. Next proposals due summer of 2018.

Finally the work group also discussed some of the primary challenges/obstacles in the region:

1. Creating new jobs within new companies
2. Knowing how to adapt and adjust with the times in business ventures
3. Connecting university's research assets with company needs and company's leadership
4. Looking from the lens of emerging industries, when we don't know what those industries are yet; Site, location, and infrastructure issues

GO Virginia Meeting Notes: Support development of unique sites and building

Date of Meeting: 6/16/2017

Title of Session: Support development of unique sites and building

Attendees: Tracy Bildo, Eric Burchin, Kevin Byrd, Brian Cosgrue, Richard Caywood, Beth Doughty, Jane Johnson, Jon Lanford, Rob Ledger, Jill Loope, John Smolak, John Putney (Chair), John Provo (facilitator), Melissa Bizjak (Scribe)

Key Assets/Strengths: We began by discussing key assets or strengths that our region could build on:

Asset	How we can build on it
Job Clusters	Looking at unique infrastructure needs of a cluster
Multijurisdictional ownership	Focus attention and build upon this model
Inventories of Sites and Facilities	Understand how sites and facilities can support growth and diversification plan
Virginia Scan (although kind of useless)	Analyze land parcels in terms of their usability (qualitative). E.g. Roanoke hired Timmens.
RAMP (Roanoke Business Accelerator) as a model of multi-organizational collaboration on infrastructure project that will ultimately support high wage job growth	Use as a model

Goals and Measures: Then we identified goals related to our working group and ways that we could measure progress towards those goals.

Goals	Measurements
Gain a realistically understanding of existing real estate and what we can and can't grow with it to develop a more strategic approach to promoting our target industries	Define what we can grow and reverse engineer that
Drill down and connect the dots with job clusters	Check ourselves against what clusters are producing
Development of specialty real estate that supports business scale-up, lab space, and other flexible space for target industry businesses	Inventory and marketing material present
Improve the region's competitiveness with other states by developing methods of streamline interagency collaboration statewide when pursuing business permitting and site development	Development of policy measures

Opportunities:

Then we discussed opportunities/areas to consider for funding. While specific examples of projects came up, the objective of this discussion was to highlight broader areas of potential funding.

- RAMP and similar multi-organizational collaborations
- Streamlining government projects
- Shared cost of development

Gaps/Obstacles: Many challenges emerged during our discussion. These included challenges relevant to the general subject matter of the breakout group, but also challenges specific to the particular goals that the group considered.

- Site development is too expensive for local government. However, if government does not invest in sites that accommodate industries with higher paying jobs in the region, local government will continue not to have the need revenue from higher income tax payers to pay for site development.
- Fragmented process getting permits and getting things done in Virginia- regional obstacles
- Virginia government doesn't have enough money to fully support the process of buying land
- Virginia Scan provides relatively useless data that most wouldn't use to make a decision
- Lack of understand on how important real estate is, what the process is, and where the gaps are in our region
- Space for scaling up businesses is limited. Space needs to be flexible for various target sectors.

Additional data requested from workgroup participants:

- More direction from GO Virginia on what they DON'T want to see; for example, construction, site acquisition, cultural amenities, direct grants to companies
- Qualitative studies on current sites and spaces in region
- How does this topic fit with workforce development?
- Do PDCs have more data on infrastructure and sites?