



## National Advisory Council on Innovation and Entrepreneurship (NACIE)



### Official Minutes for Quarterly Meeting

Date: September 17, 2015

Time: 2:00 – 3:30 pm

Location:

Department of Commerce  
Herbert C. Hoover Building  
Commerce Research Library

1401 Constitution Ave NW, Washington, DC 20230

### **Welcoming Remarks**

Ms. Julie Lenzer, Director of the Office of Innovation and Entrepreneurship, opened the meeting in her capacity as Designated Federal Officer (DFO). She extended greetings to all members of the National Advisory Council on Innovation and Entrepreneurship (NACIE). She indicated the purpose of this meeting is to continue to work on the approved proposals and elevate new ideas with the intent to outline actionable steps on these initiatives.

Ms. Lenzer celebrated NACIE 2.0's halfway mark and one year anniversary by challenging the council to define what success will look like at the end of their term. She emphasized the importance of focusing on tangible outcomes and highlighted the great progress the Council has made thus far. Additionally, Ms. Lenzer announced plans to begin recruitment in the spring for NACIE 3.0, and requested member's feedback on identifying the right type of member. She also stressed the importance of leaving more strategic, long-term opportunities for NACIE 3.0 to resolve, and avoiding the temptation to examine as many issues as possible. The Council quickly agreed and expressed their interest in narrowing down their focus for the final year by eliminating some of the topics broached throughout the first year, and concentrating on the opportunities most relevant to the Council's current expertise and time frame.

### **Council Discussion Initiatives Update**

Representatives from workgroups with initiatives in progress provided a brief update on the past quarter's activities. These updates provided a forum for members to discuss the current status of each initiative, assess any potential concerns, and identify resources or ideas to help overcome any current barriers.

#### *Labor Market Data Initiative*

Mr. Robert Hohman, Glassdoor, Inc. discussed the challenges the state of Virginia is having in authorizing the release of their state unemployment data, and concern with how this impacts the pilot's timeline. However, Glassdoor, Inc is simultaneously in talks with the State of New Jersey to see if their state unemployment data can be open-sourced and used for this pilot. He requested

input from other members if they were aware of other states that would be willing to release their data. Mr. Hohman indicated that upon receipt of unemployment data, the next step would be to construct a prototype for Secretary Pritzker and the Commerce Department to scale.

### *R&D Tax Policy Initiative*

The R&D tax policy initiative made two recommendations: (1) to direct the Bureau of Economics and Analysis (BEA) to develop an economic analysis of proposals to provide stronger tax incentives for collaborative R&D and to provide a temporarily decreased repatriation tax rate tied to R&D spending and (2) work to align Federal stakeholders to support and advocate for legislation that implements these proposals. Mr. Robert Atkinson, Information Technology and Innovation Foundation, informed the Council that the initiative was presented to BEA and is awaiting their response.

### *SBIR/STTR Proposal*

Mr. David Kenney, Oregon Best, and Ms. Tiffany Wilson Karp, Global Center for Medical Innovation, discussed their on-going efforts to survey a variety of SBIR recipients on their experience with the program. So far, feedback has been extremely helpful and constructive, and the team has decided to continue outreach to broaden the sample size and responses. The discussion then shifted towards various experiences working with i-Corps, a pilot program designed to coach entrepreneurs through the development and commercialization process of new products and services arising from projects supported by currently funded NIH SBIR/STTRs. This was identified as a potential program of interest for NACIE to further study, given the synergy with innovation, entrepreneurship, and the current SBIR/STTR research efforts.

### *What Works Playbook*

Mr. Craig Buerstatte, OIE, provided a general overview of the What Works Playbook's (WPP) proposal – that compiles programs and resources that are supporting entrepreneurship and innovation efforts across the nation, so communities can more efficiently access information to identify the right programs and initiatives for their individually unique entrepreneurship ecosystems. Compiling these resources into a useful tool or “playbook” increases the chances of successful implementation at the community level, and the likelihood communities will disseminate best practices and lessons learned through program implementation. Mr. Buerstatte updated the council that the workgroup is still discussing best ways to implement a plan and have discussed the possibility of recommending a federal pilot program. NACIE members exchanged a few ideas and potential challenges ahead, like the risk of creating a tool without multiple stakeholder involvement and the challenges that creates for acceptance and adoption across industry. Members agreed this topic needs more deliberation before moving forward.

## **Workgroup Topic Discussions**

### *Employer Engagement Survey*

Chauncey Lennon, JP Morgan Chase Foundation, discussed the need to create a new National Employer Engagement Survey, which hasn't been completed since 1995. He indicated that the 1995 survey remains the only standard source of this type of data, and is still currently being used to estimate employer spending on training, but adjusted for inflation. This workgroup is exploring the feasibility and impact of an annual National Employer Engagement Survey (issued by BLS or Census) which could obtain data about how employers spend money on training. Mr. Lennon also informed the Council on a meeting he participated in with key members of Commerce and the Senate HELP (Health Education, Labor & Pension) Committee to discuss this matter. The workgroup plans to follow the Senate HELP Committee's progress, and discuss where and if, there is an opportunity for NACIE to get involved and make any formal recommendations.

### *Workforce and Incubation*

Tiffany Karp, Global Center for Medical Innovation, and Greg Cangialosi, Betamore, discussed how the U.S. is experiencing a rise in short-term programs and apprenticeships that expose workers and students to entrepreneurial and advanced technology skills. Coding boot camps, manufacturing apprenticeships, and entrepreneurship fellowships are great examples of programs that help develop skilled talent for today's startups and technology companies. This working group has met twice this summer discussing how incubators are feeding the entrepreneurship talent pipeline and how strategic relationships are being developed at the local level. They will continue to discuss and identify ways to support startups by developing talent and the accessibility to it until a clear initiative is identified.

### *Measuring Innovation*

Julie Goonewardene, The University of Texas (UT) System, discussed the importance in having the ability to determine the capacity to innovate and innovation's contribution to GDP at local, regional, and national levels is necessary in order to measure past performance, capture the current state of the market, and develop and analyze policies to increase future innovation. The workgroup is investigating working with ESA to explore solutions to barriers to improved innovation measures in order to better inform policymakers and the public about the levels of innovation in local, state, and the national economies. She stated that two proposals will be brought to the Council to vote, the first is aimed at creating a national measure of innovation relative to GDP, and the second is compiling an encyclopedia of innovation indexes and measures to foster standardization of terms and measurements in this space.

## **Public Comment**

Ms. Julie Lenzer opened the floor for the public comment session – there were no members of the public in the physical meeting, or on the conference line to comment.

## **Meeting Adjournment**

Ms. Lenzer thanked all in attendance and adjourned the meeting.

## **Meeting Attendees**

### *NACIE Members*

Robert Atkinson	Information Technology and Innovation Foundation
Brian Balasia	Digerati, Inc.
Barbara Bry	Blackbird Ventures
Lou Anne Bynum	Long Beach Community College, Office of College Advancement
Greg Cangialosi	Betamore
Fred Dedrick	National Fund for Workforce Solutions
Christine Furstoss	General Electric Company
William Generett	Urban Innovation21
Julie Goonewardene	The University of Texas (UT) System
Mary Ann Guerra	BioAccel
Robert Hohman	Glassdoor, Inc.
Lila Ibrahim	Coursera
Tiffany Wilson	Global Center for Medical Innovation
David Kenney	Oregon Best
Chauncy Lennon	JP Morgan Chase Foundation
Marie Lynch	Skills for Chicagoland's Future
Dr. Sethuraman Panchanathan	Arizona State University
Eric Severson	Felton Institute

Rohit Shukla	Larta Institute
Amy Stursberg	Blackstone Charitable Foundation
Stephen Tang	University City Science Center

*Representatives of the U.S. Department of Commerce and Its Agency Subcomponents*

Matt Erskine	Economic Development Administration
Joshua Mandell	Office of the Secretary
Kate McAdams	Office of the Secretary
Julie Lenzer	Office of Innovation and Entrepreneurship
Craig Buerstatte	Office of Innovation and Entrepreneurship
Eric Smith	Office of Innovation and Entrepreneurship
Andria Fisanich	Office of Innovation and Entrepreneurship
Ashley Shuler	Office of Innovation and Entrepreneurship
Nathan Ohle	Economic Development Administration
John Cobb	Department of Commerce

*Representatives of Other Federal Agencies*

Katrina Stevens	Department of Education
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*Number of Additional Attendees Who Did Not Present Oral or Written Statements*

Mark Skinner	State Science & Technology Institute (SSTI)
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## National Advisory Council on Innovation and Entrepreneurship (NACIE)



### Official Minutes for Quarterly Meeting

Date: September 18, 2015

Time: 8:45 am – 12:00 pm

Location:

Department of Commerce

Herbert C. Hoover Building

Commerce Research Library

1401 Constitution Ave NW, Washington, DC 20230

### **Welcoming Remarks**

Ms. Julie Lenzer, Director of the Office of Innovation and Entrepreneurship, opened the meeting in her capacity as Designated Federal Officer (DFO). She extended greetings to all members of the National Advisory Council on Innovation and Entrepreneurship (NACIE).

Ms. Lenzer encouraged members to share their unique experiences, and celebrated the opportunity for disruption. Additionally, Ms. Lenzer highlighted two proposals that will be voted on in today's session generated from one of the innovation workgroups; a macro-level innovation measure, and creating an encyclopedia of innovation indices.

### **Presentations to the Council**

*White House Demo Day – Jennifer Erickson, Assistant Director, Innovation for Growth, White House Office of Science and Technology Policy*

Ms. Jennifer Erickson discussed the White House's recent Demo Day, which invited entrepreneurs from around the country to "demo" their individual success stories and showcase the diverse nature of entrepreneurship across the country. Ms. Erickson also applauded the Commerce Department for hosting the first-ever Open for Innovation event, one day prior to Demo Day, which provided the opportunity for more than 80 startups to pitch their most innovative idea to solve a complete business challenge from one of eight established corporations. Ms. Erickson then thanked several NACIE member organizations who have committed to expand inclusive entrepreneurship: JP Morgan Chase, Blackstone Charitable Foundation, Clemson University, CODE2040, Revolution, LLC. Lastly, she discussed the Administration's efforts to promote the benefits of inclusive entrepreneurship to reach our full entrepreneurial potential – a huge economic opportunity if done correctly.

*Inclusion Updates – Kelly Grier, Ernst & Young, Bill Generett, UrbanInnovation21, Laura Powers, CODE2040*

Continuing with the inclusive entrepreneurship theme, three NACIE members that are directly promoting and supporting inclusive entrepreneurship provided updates on how they are integrating inclusiveness in their workplace.

Ms. Kelly Grier discussed Ernest and Young's (EY's) Entrepreneur of the Year program, which celebrates, and recognizes successful entrepreneurs and highlights their stories. She announced that EY recently selected 265 winners which will compete in November for the national title in their categories. Later, Ms. Grier committed her services to the Council, to assist with embedding inclusion into each of the workgroup's initiatives.

Mr. Bill Generett discussed the importance of getting women and minority students access to internship programs. Urban Innovation21 has the largest and most diverse innovation economy based internship program in the region, where over 50% of the internship participants are women and over 40% are underrepresented minorities. He informed the Council on techniques and best practices to attract a diverse participant pool.

Ms. Laura Powers discussed the importance of leveling the playing field for all entrepreneurs – particularly women and people of color. She emphasized the importance in creating stronger communities, opening up a broader talent pool, closing the opportunity gap, and sharing best practices. She announced the expansion of the CODE2040 Residency Program, which supports Black and Latino/a entrepreneurs, from 3 cities to 8 cities in 2016, in partnership with Google.

*Presidential Ambassadors for Global Entrepreneurship (PAGE) – Joshua Mandell, Senior Adviser, Innovation and Competitiveness and Bert Kaufman, Senior Advisor, Office of Business Liaison, Department of Commerce*

Mr. Josh Mandell and Mr. Bert Kaufman, Department of Commerce, provided a brief overview of the Presidential Ambassadors for Global Entrepreneurship (PAGE) initiative, which enlists some of America's most recognized innovators to champion entrepreneurship programs across the U.S. Government by sharing their knowledge and experience to help develop the next generation of entrepreneurs. Each member commits to developing a signature entrepreneurship initiative designed to inspire the next generation of entrepreneurs, expand the networks and global exposure of existing entrepreneurs and/or increase deal-flow between investors and entrepreneurs, and accompanies the Administration officials on official trips domestically or overseas. Mr. Kaufman emphasized the tremendous demand for PAGE member's time and after a year-and-a-half how the Commerce Department is starting to see the signature initiatives make a real impact. While this success bodes well for the future, both Advisers were interested in getting NACIE members' ideas on how to make PAGE more sustainable throughout future administrations – institutionalizing the program within government. Mr. Stephen Tang and Mr.

Michael Burcham volunteered to consult with Mr. Mandell and Kaufman after the meeting to discuss their thoughts in more detail.

### **Council Discussion: Workgroup Report-Outs**

#### *Employer Engagement Survey*

Mr. Chauncey Lennon, JP Morgan Chase Foundation, informed the Council that the workgroup will prepare a proposal to vote on at the next meeting. The proposal will be a recommendation to Secretary Pritzker, and will highlight the many benefits of having timely data on how employers spend money on training. For example, training for new vs. existing workers, how much is done in house vs. outside, the amount and quality of engagement with the local workforce system, the use of on-the-job-training funds, the types of skills and jobs for which employers anticipate a demand, and the success (or lack thereof) of collaborations with community colleges on industry-led training. This data will answer questions like what is the return on investment in training and where are workers getting their skills.

#### *What Works Playbook and Data Repository*

Mr. Rohit Shukla, Larta Institute, provided an update on this workgroups effort to develop a plan for a “What Works Playbook” for entrepreneurship and innovation community building. Mr. Shukla discussed how the team has decided that before a playbook can be developed, the Council should consider how a universal taxonomy for programs could be implemented to help frame the programs and activities within the playbook. The workgroup feels strongly that without clear definitions and classifications, it will be hard to organize, search, and reference the diverse program information in this space. The Council provided some suggestions on possible strategies to develop a taxonomy, but felt the quickest and best way to do so would be do develop it themselves, and recommend the findings to Commerce. The workgroup committed to meeting virtually between meetings to prepare some taxonomy ideas for the following meeting.

#### *Educating K-12 in Entrepreneurial Mindset and Principles*

Mr. Eric Smith, Office of Innovation and Entrepreneurship, provided a brief overview of a brainstorming session a few Council members had on teaching entrepreneurial mindset and principles at an earlier age—while also bolstering STEM education, experiences, and opportunities—for students in grades K-12. Some members felt NACIE should consider supporting these growing efforts across the nation, but others expressed concern it was too big a challenge at this time during the Council’s term. Members agreed to pause on these efforts until there was more alignment with other initiatives, or external factors were more supportive.

### *Workforce and Incubation (Supporting Startups by Developing Talent)*

Mr. Craig Buerstatte, Office of Innovation and Entrepreneurship, provided a brief overview of this workgroup's progress so far and made a call to other Council members for additional insight in effort to reach a more defined opportunity. His overview discussed the current rise in short-term programs and apprenticeships that expose workers and students to entrepreneurial and advanced technology skills. Coding boot camps, manufacturing apprenticeships, and entrepreneurship fellowships are great examples of career accelerators that help develop skilled talent for today's startups and technology companies. NACIE is exploring ways to support, connect, and grow these types of organizations - without duplicating existing efforts - so more businesses have the skilled talent they need to succeed. Council members agreed that they needed more time to research and identify a clear opportunity to support or improve these efforts, and the workgroup planned to convene in more detail before the next meeting.

### *Supporting Free Agent Talent and Systems (The 1099 Economy)*

Mr. Eric Severson, Felton Institute, provided a synopsis of the ongoing discussions concerning the 1099 Economy. He discussed the emergence of the sharing economy which has shifted the labor force in the direction of more independent workers or "free agents." This new dynamic, which presents opportunities for American workers but also new challenges, requires an updated set of policy prescriptions. The workgroup is interested in exploring various policy ideas such as the modernization of definitions of "employee," employment data collection, portable benefits, and the simplification of taxes.

### **Voting on NACIE proposals**

Before each vote, NACIE members Robert Atkinson, and Julie Goonewardene provided a brief overview of the following innovation measurement proposals:

- a) Create a Macro-Level Innovation Measure
- b) Creating an Encyclopedia of Innovation Indices

During the roll call vote, Council members voted unanimously for the two proposals.

After the roll call vote, Ms. Lenzer, DFO, remarked that these proposals will be presented to the Secretary for evaluation by Commerce staff.

### **Next Steps**

#### *Strategic Planning*

The Council recognizes that they are at the halfway point in their term and are strategically focusing their energy on actionable initiatives that they can accomplish before the close, as well as preparing initiatives to hand-off to the next iteration of NACIE. Working groups will continue to work on moving their initiatives forward.

### *National Entrepreneurship Month*

Ms. Julie Lenzer informed the Council of National Entrepreneurship Month in November. Members are encouraged to participate in their own communities through social media, blog posts amplifying NACIE’s work, and local press engagements.

### *Location Pitches*

Council members had expressed the desire to host an offsite NACIE meeting in their region. Each member was given the option to “pitch” their location for the 2016 March NACIE meeting. Voting ballots instructing members to rank their top three choices were provided. Commerce will consider these votes along with Secretary Pritzker’s availability and other factors, and choose the best location for the March meeting at a later date. During the vote, Nashville, Portland, and Phoenix seemed to have the most interest from the Council.

### **Meeting Adjournment**

Ms. Lenzer thanked all in attendance and adjourned the meeting.

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Kelly Grier	Ernst & Young ( <i>via telephone</i> )
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John Cobb	Department of Commerce

*Representatives of Other Federal Agencies*

Jodi Black	National Institutes of Health
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