

U.S. ECONOMIC DEVELOPMENT ADMINISTRATION

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NATIONAL ADVISORY COUNCIL ON
INNOVATION AND ENTREPRENEURSHIP (NACIE)

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MEETING

+ + + + +

THURSDAY
OCTOBER 6, 2016

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The Council met in the Department of Commerce Library, 1401 Constitution Avenue, NW, Washington, DC, at 2:00 p.m., Melissa Bradley and Stephen Tang, Co-Chairs, presiding.

PRESENT:

MELISSA BRADLEY, AU Center for Innovation in the
Capital, Co-Chair
STEPHEN TANG, University City Science Center,
Co-Chair
REBECCA BAGLEY, University of Pittsburgh
ESTHER BALDWIN, Intel
BRIAN BARTHOLOMEUSZ, TomKat Center for
Sustainable Energy at Stanford University
HEATHER BOESCH, IDEO
TREY BOWLES III, The Dallas Innovation Alliance;
The Dallas Entrepreneur Center
KATHRYN FINNEY, digitalundivided
SCOTT FREDERICK, New Enterprise Associates
KARA GOLDIN, Hint Inc.
ORIN HERSKOWITZ, Columbia Technology Ventures,
Columbia University

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RICHARD JOHNSON, Kentucky Science and Technology Corporation
JOSEPH KAPP, Eastern WV Community & Technical College; Behavioral Business, LLC
DAVID KENNEY, Oregon BEST
PRADEEP KHOSLA, University of California, San Diego
MARIE LYNCH, Skills for Chicagoland's Future
MIKE NEMETH, S3 Planning
MARIBEL PEREZ WADSWORTH, Gannett Company Inc.
ANDREW REAMER, George Washington University
EMILY REICHERT, Greentown Labs
JOSEPH SCHOCKEN, Broadmark Capital, LLC
SUE GRIFFITH SMITH, Ivy Tech Community College
WHITNEY SMITH, JPMorgan Chase
TIFFANY STEVENSON, Sephora USA, Inc.
ERIC TOONE, Duke University
TIFFANY WILSON, Global Center for Medical Innovation
CHAD WOMACK, UNCF
ANDREW YANG, Venture for America

ALSO PRESENT:

JOSHUA MANDELL, Senior Adviser for Innovation and Competitiveness
CRAIG BUERSTATTE, Office of Innovation and Entrepreneurship
ANDRIA FISANICH, Office of Innovation and Entrepreneurship
CHAVARRIA HARRIS, Office of Innovation and Entrepreneurship
JULIE LENZER, Office of Innovation and Entrepreneurship
ERIC SMITH, Office of Innovation and Entrepreneurship

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1 P-R-O-C-E-E-D-I-N-G-S

2 2:00 p.m.

3 MR. BUERSTATTE: All right, folks.

4 Welcome, thank you for coming. This is our first
5 and official, at this point, Federal Advisory
6 Committee meeting for the National Advisory
7 Council on Innovation and Entrepreneurship. This
8 is all, we've got 28 members here at the moment.
9 I know we have two that have sent their regrets due
10 to unexpected travel issues and one due to illness,
11 but it is super exciting to see everyone's faces
12 at the same table. I know this morning, we had some
13 special events around D.C. with some roundtables
14 and got to engage a number of policy leaders in
15 various offices in the innovation and
16 entrepreneurship and Hill space.

17 I'm sure many of you are probably trying
18 to catch your breath, it was pretty overwhelming,
19 a lot of maybe more questions raised than answers,
20 and that's okay. The good news is, we have two full
21 years here, so this is a marathon. A marathon, not
22 a sprint. And I was catching up with Kara before

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1 the session here and she was expressing how anxious
2 she is as an entrepreneur to, as she put it, to get
3 stuff done, GSD as we say -- she did, yes.

4 (Laughter.)

5 MR. BUERSTATTE: Kara used another word,
6 which is a great opportunity for me to say, this
7 is a Federal Advisory Committee and this is open
8 to the public.

9 (Laughter.)

10 MR. BUERSTATTE: So, yes, we are
11 actually, as a Federal Advisory Committee, we do
12 record these meetings, the official ones, and it's
13 a great opportunity for us to convey to the public
14 what we're up to, what we're thinking about. We
15 have had some amazing folks come and attend and
16 plant some, give us some new ideas and give us some
17 guidance and what to consider and where to go. So,
18 don't be surprised if we are joined by the public,
19 virtually or in person later today. So, we will
20 also break for a private administrative session
21 later today.

22 But going back to what I was saying

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1 about questions and maybe being a little
2 overwhelmed, one of my favorite stories is, I think
3 it was early February or March, our second NACIE
4 meeting, those of you who were here yesterday heard
5 both Secretaries, Secretary Pritzker and Assistant
6 Secretary Jay Williams talk about the infamous snow
7 day. And Bruce Tuchman's managerial philosophy on
8 the storming, forming, norming process.

9 I tell you what happened that day on the
10 snow day, it was miserable for the staff. We were
11 pivoting left and right trying to find a space to
12 make this meeting happen. There was, I don't know,
13 five or six inches of snow in D.C., which, yes, it's
14 a big deal here, and Steve Case opened up his office
15 at Revolution to host us and folks showed up with
16 salt and snow, wet jeans, snow all over their
17 clothes, really, really -- frankly, we were a
18 little grimy, we were a little sweaty, and we were
19 a little tired.

20 And it was an absolute perfect
21 atmosphere for us to talk about innovation and
22 entrepreneurship. We could not have prescribed a

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1 better solution to storming and forming that team.
2 Those that carried over, Steve, I know you're
3 shaking your head there, it was a phenomenal recipe
4 for us to build the relationships and really dig
5 into some interesting opportunities. When we were
6 later at happy hour, still wet, cold, and tired,
7 many folks had to get connecting flights into extra
8 cities to get here, that was another special
9 experience. We were able to talk about what
10 brought us here, how we got here, where we came
11 from.

12 And that's important, because you all
13 are a congress of innovation and entrepreneurship
14 folks representative of the nation. So, we have
15 our U.S. Representatives, but we look at you as the
16 congress for innovation and entrepreneurship,
17 which is really special. If you think about all
18 the bios that you reviewed and the experiences
19 represented at this table, it's really something
20 special. So, my challenge to you all and to us and
21 to OIE as a team, let's make sure we don't waste
22 that. This is so much opportunity here, we need

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1 to ensure that we take advantage of it.

2 So, to ensure that we do it, I want to
3 keep things simple, keep it simple stupid, KISS,
4 and each of you should have a notecard in your
5 folders, this thing right here. So, if you haven't
6 looked at this yet, no sweat, we just handed them
7 out. Those of you who were here yesterday might
8 be starting to feel some of these goals already.
9 Number one, know your roles, resources, and
10 expectations. These are four simple goals that we
11 would like to achieve by the time you're leaving
12 tomorrow at noon.

13 So, the next 24 hours, we want to be
14 deliberate and intentional about our
15 conversations, our questions, and our engagements
16 to make sure there's clarity and confidence around
17 these four goals. Having a little bit of technical
18 difficulty. No worries. So, know your roles,
19 resources, and expectations. Roles, talking
20 about being deliberate and intentional, last
21 night, we had a really fun mixer. I enjoyed
22 getting to know a lot of you last night, as well

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1 as, I hope, some of you got to know some of, not
2 just OIE, but some of the other government
3 colleagues. So, our SBA friends, Treasury, and
4 others. Those types of relationships are great
5 resources.

6 And we'll hear pretty soon from the 2.0
7 carry-overs about some more resources and what they
8 found worked and what they were able to pull and
9 leverage during their experience to get things
10 done. And, of course, expectations, if we're not
11 walking away tomorrow with, if you as an individual
12 are not walking away tomorrow with a pretty good
13 warm and fuzzy about what's happening next, we're
14 short, we're falling short. There's a lot to do.
15 Again, we've got two years and it will take some
16 time to figure it out. But ask questions, engage
17 your peers, engage the five veterans that we have
18 on the 3.0 council to figure out what you need to
19 be doing to help the 29 others here succeed and make
20 an impact.

21 Two is pretty straightforward,
22 identify an initiative that you'll champion. We

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1 heard from -- those, again, that were here
2 yesterday, I think the 2.0 members were very clear
3 about why some of their initiative succeeded and
4 where some struggled. We'll talk more later, but
5 I know this morning, there was some clear ideas and
6 some clear questions raised. And I think what's
7 funny is you'll find that those people that were
8 raising those questions and those ideas are
9 oftentimes the one who are going to raise their
10 hands and volunteer to be those champions.

11 So, from my group, I have an idea
12 already who's going to rise up and be that champion.
13 So, if you're not clear already, make sure you get
14 onboard with something by tomorrow so you can help
15 the team. Number three, come together as team.
16 We just came off of lunch, hopefully you've got some
17 new friends by now. If you don't, I'm friendly.

18 (Laughter.)

19 MR. BUERSTATTE: I'm always willing to
20 talk. But no, seriously, I'm curious, who here has
21 made a new relationship that you think is going to
22 benefit your organization or you personally?

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1 That's pretty awesome. I was talking with Steve
2 and Melissa before we kicked off here and we've got
3 30 people here and, Assistant Secretary Jay
4 Williams talked about it yesterday, in every
5 organization, no matter if it's in academia,
6 nonprofit, government, business, it's not the
7 product, it's not the technology, it's not the real
8 estate that drives the organization, but it's the
9 people.

10 So, we've got 30 people here and we've
11 got 30 relationships to build and we are only as
12 strong as our team and our bonds. So, I want to
13 emphasize that today and as we move forward
14 throughout the day and we have dinner later
15 tonight, I really, really want to encourage you to
16 go out, be brave, make a new friend, build a new
17 relationship. Our 2.0 vets will talk about it, it
18 was hugely beneficial throughout the last two
19 years. As our team became tighter, more
20 efficient, we became more effective.

21 And last, but not least, since so many
22 of you raised your hands, I'm guessing that you're

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1 already seeing the value in this experience, but
2 the more value that you see, I know the more you
3 will commit to this. And, again, we've got 30
4 amazing professionals committed to serving over
5 the next two years. I'm in wonder of the
6 opportunities ahead, I am certain that we're going
7 to create some awesome things.

8 So, with that said, keep your
9 notecards, be deliberate, be intentional, and
10 think about the questions and the relationships you
11 need to be asking and building for the next 24
12 hours. At this point, that's all I have. We've
13 talked about four goals, keep it simple stupid, and
14 that's it. So, I'd like to open it up to Melissa,
15 who helped lead the ecosystem roundtable earlier
16 this morning. Melissa?

17 CO-CHAIR BRADLEY: So, we have some
18 folks that are going to share out, but I want to
19 say that we had a very lively discussion. For
20 context, we were joined by leaders from OSTP.
21 Julie was our OIE representative and we also had
22 a member of the Vice President's team, who I will

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1 say, literally just listened, which was amazing.
2 And the idea was to really understand where the
3 opportunities arise for us.

4 I think one of the things that I walked
5 away from that session was that we are all
6 entrepreneurs or entrepreneurial and we are now in
7 the opportunity recognition phase and we've got
8 lots of ideas and lots of opportunity and the
9 question will be, what are the businesses or the
10 business units that we create to actually move
11 forward? And so, we were very fortunate to have
12 Tom and Julie and Laura talk about tools that we
13 should all have at our disposal to be successful,
14 raise some questions for us, and also shared some
15 ideas that I will preface really reflect OSTP's
16 priorities, but could have some overlap with where
17 we are. So, I'm going to ask Orin to start with
18 the tools.

19 MR. HERSKOWITZ: Sure. So, Orin
20 Herskowitz, for those of you I haven't met, I'm from
21 Columbia.

22 MR. BUERSTATTE: Orin, real quick, thank

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1 you for introducing yourself. I just want to ask
2 everyone else to do that please, actually, that was
3 great. We have got 30 people here and I know you
4 all haven't met, so rather than doing a long round
5 robin, as you ask questions and as you engage,
6 please introduce yourself, tell us where you're
7 from and what you're working on.

8 MR. HERSKOWITZ: Okay. So, I'll add the
9 what I'm working on part. Do you mean what I'm
10 working on right now or do you mean --

11 (Laughter.)

12 MR. BUERSTATTE: What are you doing up
13 at Columbia, Orin?

14 MR. HERSKOWITZ: Okay. I'll put
15 Columbia University, I won't go through the whole
16 spiel from this morning, but I run the tech transfer
17 office for Columbia. What that means is we help
18 the researchers at the university when they have
19 an invention, which happens around 350, 400 times
20 a year for us. We help turn that into patents and
21 licenses, which we do about 100 times a year to
22 industry. And startups, we had 25 or so startups

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1 based on Columbia patents in each of the last two
2 years. I also run three technology accelerators.
3 One in clean energy, one in medical devices, and
4 one in media. And, anyway, back --

5 MR. BUERSTATTE: Thank you.

6 MR. HERSKOWITZ: -- to the story. So,
7 we heard from OSTP. They mentioned a couple of
8 different initiatives that they've been working
9 on, including the Tech Inclusion Pledge, which was
10 passed around, I'm not sure if the other group got
11 that, which is a pledge signed by a number of
12 companies to try and make their workforce reflect
13 America's workforce. The Startup in a Day Pledge,
14 which was signed by a number of cities, over here
15 that said they're going to pledge that within a year
16 they will make it so that entrepreneurs can get
17 startups going within 24 hours. So that means
18 streamlining the licensing, zoning, application
19 process, so a startup, whether that's a food
20 startup or a tech startup, can get going in 24 hours
21 from the city's perspective.

22 And then, something that was very

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1 exciting for me, the International Entrepreneurs
2 Rule, which we talked about a little bit yesterday,
3 programs that are proposed, but not yet passed, I
4 think. I'm looking at Craig for that. The
5 International Entrepreneurs, where --

6 MR. BUERSTATTE: Oh, you're talking
7 about -- so that is in proposal format, the
8 President and the Administration have proposed it,
9 and you heard, I wasn't in the meeting, so I'm
10 curious where the update is. I know it's moving
11 forward.

12 MR. HERSKOWITZ: Colleagues who were in
13 the meeting this morning?

14 MR. BUERSTATTE: I -- actually, real
15 quick, I'd like to introduce Josh Mandell, Senior
16 Advisor to the Secretary.

17 MR. HERSKOWITZ: Great. Please.

18 MR. BUERSTATTE: Josh, please?

19 MR. MANDELL: So, the Entrepreneurs Rule
20 is open for public comment as a proposed rule. The
21 comment period stops on October 17. It's on an
22 expedited timeline. The Department of Homeland

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1 Security is looking very closely at public comments
2 for this, there's about 200 online and it's
3 actually interesting to read. As of now, it's got
4 overwhelming support. I actually would encourage
5 you all as Americans to comment on that publicly.
6 And then, the timeline is, we'll probably take
7 about a month to absorb those comments, make any
8 edits to the rule, and ideally we'll have started
9 by December.

10 DHS estimates that approximately
11 3,000, more and more entrepreneurs are already
12 here, they're coming to the United States to take
13 advantage of the program, just in the first year,
14 and that will multiply exponentially over the
15 course of the program also. So, in the absence of
16 comprehensive immigration reform, when it comes to
17 startups and entrepreneurs, this is the closest
18 thing this Administration is going to get to making
19 that happen. So, that's where we're at.

20 MR. HERSKOWITZ: Great. So, they left
21 us with four questions and four thoughts, which I
22 guess maybe go into the things we could work on,

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1 but I recognize these are OSTP's initiatives, not
2 necessarily the same as what Commerce would be
3 interested in. The four questions they had were,
4 a better understanding of what's driving the
5 decline of business dynamism. Apparently there's
6 some stats that back up the fact that business has
7 been less dynamic, so understanding what's driving
8 that decline.

9 The economic inclusion and diversity
10 question, how to make that stronger. How to build
11 innovation ecosystems outside of the New York,
12 Massachusetts, and the Bay area, as they called it,
13 the Rise of the Rest. And the fourth was the one
14 I was most excited about, innovation outside of
15 software and tech. So, basically, how to increase
16 the translation of environment, therapeutics,
17 diagnostic, material, advanced manufacturing.
18 The four to-dos, I guess, were an idea around --

19 CO-CHAIR BRADLEY: OSTP ideas.

20 MR. HERSKOWITZ: Sorry, OSTP ideas, were
21 could we do a race to top on entrepreneurship? So
22 something similar to what they did on education,

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1 trying to make it just easier across the country
2 for getting permitting and licensing done. Could
3 there be more experimentation on the regulatory
4 front, similar to what the FAA did with drones? So,
5 setting aside certain regions of the country where
6 there could be relaxed regulation in order to
7 experiment and get some sort of, I guess, testing
8 done on new ways of handling of regulation.

9 Could the research universities really
10 drive -- could the university presidents focus more
11 big donor resources into entrepreneurship as
12 opposed to naming buildings, doing basic research
13 or financing student financial aid or others? I
14 know that would be a controversial topic back at
15 Columbia, but --

16 CO-CHAIR BRADLEY: In addition to.

17 (Laughter.)

18 MR. HERSKOWITZ: Okay. So, assuming a
19 new donor falls out of the sky who wants to give
20 \$10 million, easy question. And then, the last one
21 was, how to best get the word out and leverage the
22 International Entrepreneur Rule, if that does

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1 pass. In particular, he mentioned, could
2 universities use their H1B visa, the high number
3 of H1B visas they could get, to possibly bring in
4 entrepreneurs and residents who would qualify for
5 the role and by absorbing the lower limits of the
6 grant funding that you need to get to qualify for
7 the rule, which I think is \$100,000, could this be
8 a gateway for international entrepreneurs?

9 CO-CHAIR BRADLEY: Great, thank you.
10 My name is Melissa Bradley, I run the AU Center for
11 Innovation in the Capital. I'm honored to be a
12 co-chair with Steven. In my role, I am responsible
13 for entrepreneurial activities on campus,
14 including events, incubator and our venture fund,
15 and then off campus, I'm responsible for
16 experiential opportunities for our students and we
17 run a partnership with the city to help 500 minority
18 businesses scale over the next three years.

19 I'll add one more thing and then I'll
20 open it up, maybe to Rebecca, Emily, or anyone else.
21 I think what was interesting was to hear these
22 opportunities, but also to hear what we can do

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1 between now and tomorrow. And we talked about a
2 series of tools that I think, even having worked
3 in the Administration, I have the privilege to be
4 a political appointee under 44, we have some tools
5 that I think are important because we don't know
6 what the transition is going to be and so, some may
7 be more important or more relevant at various
8 times.

9 So, the first is the budget and
10 recognizing that there's an opportunity to
11 identify new items for the budget, but also ask for
12 increased dollars. And having worked with the
13 Social Innovation Fund, I will say it's a very
14 powerful tool that, even when things are officially
15 crossed off, there are ways for outside forces to
16 get the dollars back. The second was leveraging
17 existing authority. We've had some challenges of
18 getting new policies done, but recognizing, for
19 example, Kathryn raised and we had a robust
20 conversation on the use of prize authority that the
21 SBA was able to utilize since they are not a grant
22 making authority, but recognizing limitations of

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1 contracting.

2 We talked about personnel. While
3 we're going to be having a transition, there are
4 many folks that I think will still remain and
5 helping, because the transition will go well into
6 the spring. But also, I saw it as people who'll
7 be leaving that we could be able to tap as resources
8 and come back and talk to us since we can certainly
9 convene on our own. A coalition building, I
10 watched people be surprised when Tom said the only
11 power that people in the White House really have
12 are coalition building, right, and sharing new
13 ideas with other agencies, but being able to bring
14 folks together and recognizing the clout and
15 gravitas that people are willing to fly.

16 And then, to be able to have that clout
17 of the White House and being able to sponsor, how
18 can we really leverage that? There is legislation
19 that we hope we -- an active group going on the Hill
20 sometime soon. And then, there's new approaches.
21 And he kind of held out a teaser that says he has
22 a paper of 25 approaches, but he shared these things

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1 like prize authority. He also talked about what
2 has been happening at the White House around open
3 source data and the like. And so, he said he would
4 share some of those.

5 But I think it's important as we go off
6 and think about what are we going to do and our group
7 talked about keeping momentum going, that we have
8 an opportunity of what we can do in the next 100
9 days while we still have people here who now know
10 who we are and then, what is our stake for the first
11 100 days of the new administration? There is no
12 doubt that Julie and Craig and others will promote
13 our relevance, but if we can do that for ourselves,
14 that'll be extremely important. So, it was a great
15 session. I ask Rebecca or Emily to add to that,
16 please.

17 MS. BAGLEY: So, I'm Rebecca Bagley.
18 I'm the Vice Chancellor for Economic Partnerships
19 at the University of Pittsburgh. I'm responsible
20 for creating an economic development strategy for
21 the University, which we have done, and for driving
22 external opportunities into that strategy. So,

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1 one of the conversations that we wanted to capture
2 and just talk back to the group around was around
3 the Tech Inclusion Pledge. So, it was a pledge for
4 companies and they're really driving more and more
5 companies to sign up for this Tech Inclusion
6 Pledge, which basically asks them to have a
7 workforce that reflects what the American people
8 look like and asks them to invest, publish data,
9 and recruit and retain those people that, again,
10 reflect the population of the U.S.

11 And so, one of the big conversations we
12 had, well, are companies really in a position or
13 have the tools to be able to do that? So, there's
14 a lot of people working on that, whether it's pre-12
15 or educational systems, access to opportunity,
16 disconnected populations, inclusion. So, I think
17 that my experience has been that companies don't
18 really understand the multi-generational ways that
19 you can impact this issue, bring more people of
20 diversity into the workforce.

21 And so, we just discussed a potential
22 opportunity and it dovetails into one of the white

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1 papers that was written by NACIE 2.0 as well around
2 here's a group of people that have taken a pledge,
3 they are saying they could employ, create a
4 network, I'm saying they could potentially fund
5 opportunities and why not figure out how to connect
6 those things together so that we can actually bring
7 a network that can help them execute over a longer
8 term? So, that was one of the conversations we
9 wanted to just iterate back to the group, because
10 it was pretty robust. And I don't know if Kathryn
11 wants to add anything, but she was obviously active
12 in that conversation since she does this every day.

13 MS. FINNEY: No, you said enough.

14 MS. BAGLEY: Okay.

15 (Laughter.)

16 DR. REICHERT: So, Emily Reichert, I run
17 a clean technology incubator in Boston. And we
18 support 54 startup companies and they are solving
19 the world's biggest energy and environmental
20 challenges.

21 MR. BUERSTATTE: Emily, can you --

22 DR. REICHERT: So, it's a lot of fun.

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1 MR. BUERSTATTE: -- get a little bit
2 closer there? Thank you.

3 DR. REICHERT: Sorry about that. So, I
4 just wanted to -- I said I was going to add color
5 commentary to what we did. And so, I guess, these
6 guys have already really covered most of
7 everything. Sorry, I'm still not speaking into
8 the microphone. But I guess I just wanted to
9 highlight a couple of things that really stood out
10 for me. And that is, I think everyone in the room
11 I think resonated with the idea of making sure we
12 do something as a result of this experience. Like,
13 not necessarily come up with just ideas or doing
14 research, but really something needs to come out
15 of this. Sorry, all righty. So, something needs
16 to come out of this.

17 MR. BUERSTATTE: Yes.

18 DR. REICHERT: How's that? So, two
19 things in particular that resonated with me is
20 understanding that what we need to hand off at the
21 end of this to an OSTP or whatever agency is a set
22 of really concrete action steps. Not just ideas,

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1 not identifying a problem, but what specifically
2 do we need to do about that problem? And then the
3 other thing that really resonated with me, and you
4 just actually brought it up, is the idea of using
5 the government and particularly the power of the
6 White House as a convening force to bring minds
7 together.

8 And I thought that's also very powerful
9 for what we're trying to do and I can imagine that
10 the topics and the projects we're about to come up
11 with, each one of those being a place where we bring
12 together the experts who do the thinking and then
13 that leads to a much more informed outcome of our
14 recommendations. So, now that you've heard at
15 least part of what I said, that's, I think, it for
16 me. But it was a good spirited discussion and
17 great to hear from the OSTP people and all the folks
18 in the room. Anyone else from the group?

19 MR. BUERSTATTE: Real quick if there's
20 any, we do need to transition to the skills piece,
21 but I certainly want to offer up a quick period for
22 any questions from those that weren't in the

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1 ecosystem session. And for a scheduling note, we
2 will have time tomorrow during the design and
3 thinking session to really dig into these ideas and
4 issues in much more depth. So, while I hate to say
5 wait until tomorrow --

6 (Laughter.)

7 MR. BUERSTATTE: That was, again being
8 intentional, was deliberate. We didn't want to
9 overwhelm everyone with 100 ideas and 100 questions
10 all on Day One. So, any -- yes, Melissa?

11 CO-CHAIR BRADLEY: I just wanted to say
12 that, although we were in different groups,
13 hopefully what you heard was that we were probably
14 had some parallel conversations, that there's an
15 interconnectedness between workforce and
16 entrepreneurship.

17 MS. BALDWIN: I'll wait.

18 (Laughter.)

19 MR. BUERSTATTE: Thank you, Esther.
20 Steve, please?

21 CO-CHAIR TANG: Good afternoon,
22 everyone. I am Steve Tang and I have the honor of

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1 co-chairing NACIE 3.0 with Melissa. I'm also one
2 of five, as Craig termed, carry-overs, I think
3 we'll have to find a better term for that --

4 (Laughter.)

5 CO-CHAIR TANG: -- from NACIE 2.0.
6 Hangovers, right. Hanger-oners or something like
7 that. You'll hear from the other four shortly.
8 My day job is I'm the President of the University
9 City Science Center in Philadelphia. We are the
10 nation's oldest and largest urban research park.
11 For 53 years, we've been the innovation and
12 entrepreneurship hub for Greater Philadelphia.
13 We are uniquely a shareholder owned organization
14 with 31 shareholders, all universities and
15 nonprofits across the Greater Philadelphia area.

16 And the reason that I'm so passionate
17 about what we're doing here today is we are working
18 on elements of inclusion and access to our mission
19 in innovation and entrepreneurship, not only for
20 the existing shareholders and stakeholders, but
21 also the surrounding neighborhoods in
22 Philadelphia, which are deeply impoverished. So,

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1 with that, let me just make a few comments about
2 the employer driven skills roundtable. We heard
3 from some senior folks from both the Department of
4 Commerce and the Department of Labor, as well as
5 the National Economic Council.

6 Our discussion, I think, was a little
7 bit different than, Melissa, yours and the
8 entrepreneurial ecosystems discussion. This was
9 less about fomenting ideas and more, I think, about
10 calibrating the various resources and missions
11 that exist at the federal government. And so, it
12 may be obvious to those of you that work more
13 closely in workforce development, but the
14 distinction between what the Department of Labor
15 does and the Department of Commerce does is this,
16 the Commerce mission is really on the employer side
17 and the Labor side is really on the employee side.

18 Having said that, I think if you
19 listened to the discussion yesterday from the NACIE
20 2.0 report-outs, what you would have found is that
21 there is scant data from either side about issues
22 that are emerging that quantify the skill gaps that

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1 we all, I think, intuitively or experientially have
2 in our day jobs. So, this was a good session, I
3 think, in understanding the breadth and the depth
4 of the challenge from the policy side, from the
5 National Economic Council, and from the Commerce
6 and the Labor side.

7 The other thing which I will note is,
8 and this is really an experience based on 2.0, is
9 that this is a difficult subject to directly
10 intersect with what you talked about in the other
11 group, the entrepreneurial ecosystem. And I think
12 the illustration in front of you, the Skills for
13 Business graphic, is a good one to understand that.
14 So, the breadth of the Department of Commerce
15 manufacturing and economic development data, cyber
16 security, foreign direct investment is influenced
17 greatly by innovation and entrepreneurship.
18 However, the specifics of this group, this NACIE
19 group, are housed in the economic development area.

20 So, I think you have to think about the
21 narrower mission and the broader mission of
22 innovation and entrepreneurship as it relates to

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1 the work here at NACIE 3.0. I would also call your
2 attention to Secretary Pritzker's call to arms
3 yesterday, which not only included complete
4 something in 100 days, but also remember the
5 elements of inclusion and data in what we're doing
6 here, okay? So, with that in mind, I'm going to
7 turn it over to Joe Kapp to give a summary and then
8 Joe I think can engage others from the group.

9 MR. KAPP: Sure. Thank you very much.
10 My name is Joe Kapp. I'm with Eastern West
11 Virginia Community and Technical College. I'm
12 kind of here representing a number of different
13 hats. I work very closely with the National
14 Association for Community College
15 Entrepreneurship. It's an organization
16 representing about 300 community colleges that
17 specific focus on entrepreneurship. I also am
18 here representing folks in Appalachia coal mining
19 communities and the opportunities that we have
20 there for workforce development.

21 And another hat, from a diversity and
22 inclusion perspective, is representing LGBT

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1 communities, homeless LGBT youth through a
2 nonprofit that I started. I am a serial
3 entrepreneur and, after selling my business, began
4 working with community colleges specifically to
5 find out how we can use the footprint of community
6 colleges to drive entrepreneurship. Most people
7 know and realize that community colleges focus on
8 workforce development and academics, so adding the
9 entrepreneurial leg of the stool is a great
10 opportunity, I think, for us because community
11 colleges are really broad across the United States.

12 The skills development conversation
13 was really fascinating. We spoke about the need
14 from an employer perspective and the lack of skills
15 that many employers feel like employees maybe are
16 lacking and how we go ahead and create
17 opportunities for training, innovating training
18 for employees. And particularly, looking at new
19 education models. So, what can be done around
20 coding boot camps and apprenticeships and
21 opportunities to potentially look at how we can use
22 federal government funding in order to be able to

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1 support some of those new models, which may be
2 moving away from some of the historic sort of purely
3 four year models of higher education and
4 institutions.

5 We spoke about also the Workforce
6 Innovation Opportunity Act and the upgrading of
7 those rules and how we may be able to play and
8 participate in some additional aspects with regard
9 to that. And specifically how government can
10 support employers in the education and the training
11 of their employees. One of the biggest pieces was
12 data modernization and how there are repositories
13 of data across various entities within the federal
14 government that relate to workforce development.

15 And this chart kind of goes through
16 those different pieces in terms of where they may
17 reside. And part of that is also just the
18 integration and the effectiveness across various
19 agencies within EDA and really across how the funds
20 are being allocated for economic development
21 within the federal government. Finally, there was
22 a little bit of a discussion that I sort of raised

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1 is that, during the course of all of our
2 conversations, there had been a presumption of
3 access to broadband and internet, and I think it's
4 important to recognize that a number of folks, if
5 you've done any work in rural communities, that's
6 still an issue.

7 And so, when we talk about diversity and
8 inclusion, there's still a digital divide that
9 exists, and that folks within rural communities may
10 not have access, students in those communities may
11 not necessarily have access to the internet. And
12 so, the ability to be able to kind of potentially
13 drive additional conversations around the
14 importance of broadband, education, and
15 entrepreneurship. So, I'm going to throw it over
16 to David for a second to talk a little bit -- sorry,
17 to Andrew, to talk a little bit about the data
18 piece, because he's really got probably an
19 encyclopedic of knowledge of sort of the data
20 issues that are going on.

21 DR. REAMER: Thanks, Joe. I'm Andrew
22 Reamer. I'm a research professor at George

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1 Washington University in the Institute of Public
2 Policy. And basically, I'm an academic
3 entrepreneur, they give me an office and business
4 cards and the opportunity to bring money into the
5 University, in which I can get a piece of it to get
6 paid and get health insurance.

7 (Laughter.)

8 DR. REAMER: And so, I can do anything
9 I want as long as I don't get the University in
10 trouble. So I can pick a theme and my theme is,
11 federal policies that support U.S. economic
12 competitiveness in global markets. And so, from
13 that perspective, and my background is in regional
14 economic development, I have interest in and
15 knowledge about innovation, entrepreneurship, and
16 workforce development, particularly in the realms
17 of data, as Joe says. So, actually I get paid by
18 my funders to know where the bodies are in the
19 federal government in terms of the programs and the
20 initiatives, there's so much going on.

21 And so, I offer myself as a seeing eye
22 dog, I guess, to parts of the federal government.

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1 If there's a topic of interest to you, but you're
2 not sure what's going on, I either know it or I'm
3 one or two degrees of separation from figuring it
4 out. So, please feel free. And I would like to
5 post things on Slack, just as resources for people
6 too. So, for instance, the Bureau of Economic
7 Analysis has been charged by Congress with creating
8 a small business satellite account.

9 And there's an opportunity, I think --
10 Melissa, we talked about projects that we all want
11 to do, I think there are also some things where we
12 can, the government's already doing something, but
13 let's monitor them and if BEA is putting together
14 a new set of data on entrepreneurship, then let's
15 find out about it and give them some feedback.
16 That's not a full-blown go to Congress with
17 legislation thing, this is like, are they doing it
18 right and can we be helpful to them?

19 So, in the realm of workforce data, we
20 heard this morning from some of the initiatives
21 that the Commerce, Department of Labor, and the
22 White House have been doing. Commerce, as we heard

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1 yesterday and through NACIE 2.0, has been very
2 interested in getting a better understanding of the
3 contingent work economy, the gig economy. And so,
4 the Census Bureau is now collecting 1099s from the
5 IRS and is going to analyze them to better
6 understand the nature of that kind of non-wage and
7 salary work and to what extent it's the primary or
8 supplementary in people's lives and kind of what
9 the wave is, to what extent do people dip in and
10 dip out of that 1099 work or it is the core of their
11 work.

12 In addition, Commerce, through the
13 Census Bureau, they have all the employee wage
14 records of workers in the country. Every state has
15 a UI employment system, every worker in that system
16 has a wage record, because if you get laid off, they
17 need to know how much to pay you. That's updated
18 every quarter. Census gets uploaded every quarter
19 from each of the states the UI wage records. And
20 then Census is linking those records so you can
21 follow people over time, what happened to people
22 who worked in Nevada in 2007 in construction and

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1 got laid off, where'd they end up? And also, just
2 this past week, Julie -- where's Julie? No, not
3 this one, from Texas.

4 MR. BUERSTATTE: Julie is unfortunately
5 out for an unexpected illness right now.

6 DR. REAMER: Oh, okay. Julie Shaw from
7 the University of Texas System just signed an
8 agreement with the Census Bureau to give the Census
9 Bureau their graduates of all their programs on 14
10 campuses over the last ten years and Census will
11 match that up with these UI wage records to tell
12 UT what happened to those people. So, what were
13 the employment outcomes of individual degree
14 programs across 14 campuses? And if this works
15 well, Census wants to take this wider. So, again,
16 this is an opportunity for this group to have input.

17 MR. BUERSTATTE: That's a great way to
18 wrap it up, Andrew, and how you talked about
19 providing a real case scenario, but actually since
20 Julie's not here, maybe we can hear from Esther
21 talking about the relevance and importance of data.
22 And, Esther, would you mind sharing what we talked

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1 about in the session and how Intel and how you used
2 information on the ground to make decisions for
3 your firm, which is important because I think it
4 showcases Commerce's lens on employer led skill
5 development.

6 MS. BALDWIN: Sure. There were a couple
7 of things out of that session that really resonated
8 with me. I'd be happy to share --

9 MR. BUERSTATTE: One minute, please.

10 MS. BALDWIN: Okay. So, the -- Kate
11 McAdam shared what GE did and said how impressed
12 she was that they actually went to the high schools
13 and the universities when they were deciding where
14 to invest. And I don't think that that's unique
15 at all. I used to be on Intel's site selection
16 team. It is a large virtual team that comes
17 together and each person has something that they
18 study. And we start with desk research and we have
19 a long list of places that we do the research, desk
20 research, and we narrow it down and then we go and
21 visit those places.

22 And so, I actually did the workforce

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1 research and went to the same high schools,
2 universities, community colleges, but we also had
3 people that were studying utilities, the load
4 capacity at the airports. I know of one place that
5 was selected because they were months ahead of a
6 second city in having the capacity at the airport
7 available. And it's actually moving from
8 countries competing to cities competing. And I
9 was very excited to see that there's a new advisory
10 board, the SelectUSA. I think that there's a big
11 opportunity for NACIE to collaborate with
12 SelectUSA to solve those problems that are
13 workforce, housing, and transportation. It's
14 never just workforce that I learned.

15 MR. BUERSTATTE: All right. I think
16 it's a great nexus of data, economic development,
17 and really with the lens of the business in mind
18 and why it's important for us to think down at the
19 community level, how can we enable the communities,
20 with better information, better resources, to
21 triage, if you will, the gaps so they can attract,
22 build the right firms and right capacity within the

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1 region. So, I think that's a great way to wrap up.
2 We've identified some interesting questions and
3 opportunities and now, I'd like to transition into
4 how can we work on these? What are we going to do
5 about it? So, at this point in today's session,
6 we'd like to focus on our NACIE veterans, not our
7 carry-overs, our veterans --

8 (Laughter.)

9 CO-CHAIR BRADLEY: We're getting
10 better.

11 MR. BUERSTATTE: And we've got five,
12 actually, unfortunately we have four here. Again,
13 Julie is out unexpectedly, but hopefully we might
14 see her tomorrow morning if all is well. But Julie
15 Lenzer, I know, also a NACIE veteran as well. So,
16 Julie, come on up. What we'd like to do is really
17 a lively two-way dialog between the four NACIE
18 veterans and those here at the table and figure out
19 some of the best practices, what worked, what
20 didn't, and how to go about this whole Federal
21 Advisory Council thing. I think you all have seen
22 enough now where you're probably starting to really

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1 develop some specific questions. So, that's what
2 this next hour is for. Hopefully we can get a lot
3 of value out of it.

4 MS. LENZER: And if not, I'm fired. Oh,
5 wait, I'm fired anyway. Okay, so nothing to lose
6 here. Great.

7 (Laughter.)

8 MS. LENZER: So, to introduce, I think
9 I've met most of you, I'm Julie Lenzer. I'm the
10 current Director of the Office of Innovation and
11 Entrepreneurship for another 105 days and I ran
12 NACIE 2.0 along with, certainly not by myself, this
13 incredible team that you will continue to have at
14 your disposal going forward in NACIE 3.0. So, to
15 kind of kick this off, what I'm going to do is I'm
16 going to have you guys, because I'm going to guess
17 that some of you have questions already in your
18 head, whether you just got here or whether you've
19 been here for the last day and a half.

20 So, I'm going to have you rapid-fire
21 some of your questions to me right now, because at
22 the end of the day, this is for you to get the

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1 information that you need. And then, I'll kind of
2 pull them together, we'll talk to the other veteran
3 NACIE members, and then we'll have another
4 opportunity to do that again. So, if you have any
5 burning questions that you want to ask just right
6 off the bat, fire away.

7 MS. BALDWIN: I have one.

8 MS. LENZER: Esther's ready, she had it,
9 she was going. Yes?

10 MS. BALDWIN: So, I've heard about the
11 groups that were formed in NACIE 2.0 and my question
12 is, was there any kind of a value chain that was
13 identified that says, for innovation and
14 entrepreneurship, these are the pieces of the value
15 chain, like Tiffany's access to capital, the
16 workforce ready people, was that identified before
17 so that we could look at, what are the targets, what
18 are the gaps?

19 MS. LENZER: Okay. Thank you. Any
20 other questions? We're not going to answer them
21 just yet. Okay? I'm sorry, you only get one.
22 I'm just kidding. Prioritize.

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1 MR. HERSKOWITZ: The first was the
2 balance for NACIE 3.0 between continuing work from
3 2.0, if you read the executive summary, every one
4 of them will say, we recommend 3.0 pursue this
5 further. So, are we sort of picking up where they
6 left off or starting new stuff? Two, if it is
7 starting new stuff, presumably it's to support the
8 agenda of the Secretary of Commerce, but since that
9 person won't be appointed for quite a few months
10 and then will need some time to hit the ground, how
11 do you recommend we spend the next eight months?

12 And the third is, there seems to be a,
13 even just in NACIE 2.0, there seemed like there was
14 a range of, like, we should -- there were some very
15 tactical ones that we should fix, the SBIR program
16 and get it renewed, and there were some very big
17 picture ones, like we should have more inclusion.
18 And so, how much of this is strategy and how much
19 of this is tactics and how do we balance those?

20 MS. LENZER: Great questions. All
21 right, what do you have? Yes, Whitney?

22 MS. W. SMITH: A couple conversations

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1 I've had, sidebar conversations, it's been raised
2 the question of how much we can interact with
3 elected officials, folks on the Hill, with our
4 idea. Not necessarily lobbying, but in educating
5 around what our ideas are.

6 MS. LENZER: Okay. Anybody else for
7 now? So, I'm going to say that some of those
8 questions are, I'm not sure that the NACIE members
9 can answer some of those, but we'll get to them.
10 So, if we don't get to them through the alumni
11 panel, we'll absolutely answer those questions.
12 And so, what I'm going to do to get us kicked off
13 is, I'm going to -- oh, we have one more. Yes, go
14 ahead.

15 DR. REICHERT: Two more actually. One
16 is, how do we contact each other? I know we've been
17 set up on a Slack group, but for those of us who
18 may not have that open every single day, I know
19 Heather does --

20 MS. LENZER: You don't?

21 DR. REICHERT: -- because I saw it. No,
22 I don't. Do we get email addresses for everyone?

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1 Like, how do we --

2 MS. LENZER: Is everybody cool with
3 sending out the contact list? Okay, that's done.

4 DR. REICHERT: Okay, excellent.

5 MS. LENZER: If anybody has a problem
6 with it, let us know.

7 DR. REICHERT: That's what I was hoping
8 would happen. The second thing is, in our group
9 on ecosystems, we spent a lot of time hearing about
10 OSTP's priorities and, I guess, I would love to
11 hear, and maybe it's from you, Julie, or Craig, how
12 does that map on to Commerce's priorities? Is
13 there overlap? And just, help us think about that,
14 because we are now very, our group is now very
15 grounded in OSTP priorities.

16 MS. LENZER: Yes.

17 MS. BAGLEY: So, I apologize, I went to
18 the restroom, so if this was already said, is we
19 also, we're obviously appointed by the Secretary
20 of Commerce, there's going to be a White House, or
21 excuse me, a Presidential transition, and so, it
22 seems to me like we should have an eye towards a

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1 transition team too and not -- Commerce, OSTP, like
2 all of these different angles, sort of that
3 transition team aspect and how to think about
4 positioning thoughts for the transition team as the
5 election is only a month from now.

6 MS. LENZER: Okay.

7 DR. REAMER: I had a question.

8 MS. LENZER: Yes, Andrew?

9 DR. REAMER: 2.0 had three working
10 groups and what worked well with that and what
11 didn't work well with that and what are the
12 implications for how 3.0 structures itself?

13 MS. LENZER: So, I'm going to just really
14 quickly, they had three sub-committees and this is
15 a really strange point, and that's why we didn't
16 do that again, because it was very confusing. So,
17 the three sub-committees were entrepreneurship,
18 innovation, and workforce, and we purposefully did
19 not redo that. And I'm going to actually maybe ask
20 the -- that's probably a good place to start with
21 our existing members to talk about how that worked
22 and didn't work. And so, I'm just going to --

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1 Steve, he looks like he's ready to -- yes. If you
2 haven't introduced yourself, by the way, NACIE 2.0
3 members, make sure you do that before you speak.
4 But thanks, Steve, go ahead.

5 CO-CHAIR TANG: So I'll just start,
6 because I think the issue of the value chain and
7 the issue of the working groups are related. And
8 I think what we've noticed is that by working with
9 boundaries in the work groups, it prevented us from
10 actually figuring out that value chain. And I'll
11 let Tiffany speak about this, but I think the
12 Capital Continuum actually resulted in the merger
13 of the efforts between the innovation and the
14 entrepreneurship team.

15 And I'll certainly let Marie talk about
16 the workforce side of it, because I think that had
17 an interesting evaluation as well. So, the lesson
18 learned I think was, that's not a good starting
19 point because it presumes too many internal
20 constraints about the subject matter that doesn't
21 allow us to figure out what the real value chain
22 is. So, that's what I say about that. But,

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1 Tiffany and Marie?

2 MS. WILSON: Yes. I think starting off,
3 it was actually probably good in that first or I
4 guess that first day, because -- right. Well, we
5 were asking the same questions that all of you all
6 were asking, right? And so, it enabled -- we had
7 two hours to come together with people we had never
8 seen or spoken with before and come up with
9 recommendations or initiatives that we were going
10 to focus on and present to the Secretary of
11 Commerce. So, not like there was any pressure or
12 anything.

13 But what it did was it enabled us to
14 identify priorities and initiatives that we felt
15 were very important in that space and prioritize
16 those really quickly. And so, at least we had a
17 handful of things with each subgroup. What
18 happened then next, and we all had to sign up for
19 whatever committee we wanted to be on, and for me,
20 it was kind of this blend between innovation and
21 entrepreneurship and I picked entrepreneurship,
22 but then when we ended up in the snow day and they

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1 mixed things up where they put certain aspects
2 where they knew there would be overlap.

3 And so we started, Steve and David and
4 Mike Burcham and I, talking about this whole
5 Capital Continuum and SBIR, and they're very
6 related. And so that kind of gave us some near term
7 opportunities to work together on, we could have
8 near term impact there, recognizing the Capital
9 Continuum issue is a much larger issue and
10 something that's kind of ongoing. So, it was kind
11 of tactical and strategic. And a lot of overlap.

12 MS. LENZER: And I thank you very much.
13 So, the snow day that we kept talking about was
14 actually our second meeting in March. We had, I
15 think that was when we got 15 inches of snow and
16 D.C. was shut down for like two to three days, but
17 20 NACIE members somehow made it into town. The
18 government was shut down for two days, we met at
19 Steve Case's office, and that was like probably one
20 of the best meetings we had, in that we adapted
21 to that.

22 For you guys, because they had a chance

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1 to really get to know each other and they saw the
2 commitment around the room, I mean, you guys can
3 talk to that more, but one of the things that we
4 did at that meeting is we had some of the
5 initiatives that, like, innovation had come up with
6 and we brought some of the workforce people. So
7 people who had nothing to do with that topic, we
8 had them come in and ask questions and start to
9 really blend. And I think that was one of the
10 points where you're talking about, it's like
11 totally different eyes on it. Marie, would you
12 like to add to that?

13 MS. LYNCH: Yes, just a couple of things.
14 First, we did not -- oh, sorry, it says introduce
15 myself.

16 MS. LENZER: Introduce yourself.

17 MS. LYNCH: Sorry. Marie Lynch, I'm the
18 CO of Skills for Chicagoland's Future. We are a
19 not for profit which works with companies to get
20 unemployed and under employed back to work. And
21 we also have our first expansion site in
22 Providence, Rhode Island. So, just a couple of

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1 things. One, we did not have the benefit of being
2 able to ask these questions. So, we had one
3 person, we had Steve Case, who was kind of in and
4 out, and we spent a lot of time just trying to --
5 we had the same questions you have.

6 So, another thing I'd say is, I was
7 sharing with some folks at lunch that, because we
8 were new and because the staff were new, we were
9 trying to figure it out along the way and we lost
10 some time that first year. And so, nobody asked
11 this, but I'm going to offer it anyway, a piece of
12 advice I would give us is Julie did a really smart
13 thing about midway through where she stopped us and
14 she asked me to facilitate a session to just have
15 an honest conversation about what was working and
16 what wasn't and kind of do a quick, old fashioned
17 SWOT analysis.

18 And I always saw it as a turning point
19 for us, because we were frustrated, because you had
20 a bunch of people around the table who were doers,
21 who executed, who were smart, who did things in
22 their community, and we were struggling with some

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1 of the same questions you're asking of, is it
2 tactical, is it strategic, what's our path, what
3 are the areas? And that was a big moment for us
4 where we migrated, we kind of shed our frustrations
5 and migrated to what can we practically get done?
6 And I think that's also when we formally shed, I
7 think it went longer than you thought, I think we
8 actually formerly shed those three areas at that
9 moment.

10 So, another thing I'd say on this is,
11 I think that the things that really got done were
12 when there was not one person, but a few people who
13 were really passionate about it and there was a
14 connection back to your own community. But, I'm
15 going to put this but, I think one of the things
16 we sometimes struggled with is there are
17 occasionally folks who are really passionate about
18 something which pertains to their work, but nobody
19 else. And so, it feels a little bit like you're
20 driving your own agenda at that table and not
21 driving a broader agenda. So, if you can't find
22 others who share that where there's a broader

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1 benefit, it will die at some point, because there's
2 not enough energy for it. And so, finding those
3 things that you're passionate are good.

4 Secondly, I'd say another thing that
5 was really successful is, I think that when we, at
6 that midpoint we grabbed onto the concept of do
7 these things benefit our communities? Are there
8 things we can learn from one another, this work that
9 we're going to do, that are going to benefit our
10 communities? So, wearing the cap not just of I'm
11 Marie Lynch, Skills for Chicagoland's Future, but
12 I'm a representative of the City of Chicago and I
13 really care a lot that our community thrives, and
14 so, by working on this, it's going to help that.

15 Another thing I would say that I think
16 we should pull back up is, during that moment at
17 that year point, we actually wrote down criteria,
18 and I would encourage us as a group to -- you don't
19 have to, we don't have to replicate that criteria,
20 but somebody was talking at lunch about, there's
21 the lens of the things you want to work on, but you
22 have to have a criteria to evaluate whether you want

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1 to spend your time on that, otherwise you spend a
2 lot of time and it's not worth it. And we had
3 things on there like, does it result in impact? Is
4 it measurable? Is it something we can complete
5 within the two year time frame? And so, I think
6 we should pull those back out as a starting point
7 and ask ourselves as we think about what we want
8 to have accomplished, what can we do?

9 The other thing I want to share, because
10 this wasn't asked, but I think is a fair warning,
11 is everybody here is some entrepreneurial level and
12 gets things done, but we have to remember NACIE does
13 not, we don't have a budget. We're not responsible
14 for a budget, we don't have a budget to pull from.
15 So, some of the things also died on the vine because
16 we didn't have funding.

17 Now, that being said, we also had
18 foundations around the table that when things got
19 going, there was an opportunity to tap into some
20 of them. When something was really good, we would
21 have them there to say, maybe I'm interested or
22 maybe I can shop that. Commerce certainly does an

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1 amazing job of pulling together if we need somebody
2 from Labor, if we need somebody from the White
3 House, kind of that cross-functional piece, but
4 it's important to have that budget piece in our head
5 as we evaluate things.

6 MS. LENZER: Well, and I'll just add to
7 that. And I hope we made this point clear on the
8 orientation, that NACIE's an advisory board,
9 you're not an implementation of programs. You
10 make suggestions to the Secretary and with a
11 compelling reason of why they should be implemented
12 and then it's up to her or him, whoever it will be,
13 to say, yes, and then to create the resources or
14 to tell ESA to go do it or EDA to go do it.

15 And so, that's a good distinction,
16 Marie, is that it gets a little -- because we are
17 all doers and you're here because you're doers.
18 But that was great. So, I don't know if we want
19 to kind of continue on the kind of the advice or
20 kind of like your, she had some key takeaways. I
21 don't know if you guys have some of those that you
22 want to share. Steve, go ahead. Whoever wants to

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1 go. David? Make sure you introduce yourself.

2 MR. KENNEY: David Kenney, I'm the
3 Executive Director at Oregon BEST in Portland.
4 We're a nonprofit that helps commercialize clean
5 technologies. I had I guess -- to build on the
6 strategic versus tactical question and the
7 Secretary's and Commerce's priorities, I'll say
8 one of the things that I expected that didn't happen
9 was to hear the Secretary say, here are four things
10 I want advice on. The Secretary really said, tell
11 me what I should know or what I should be hearing
12 from you all, you all are the experts.

13 And so, we never really got the, here's
14 the Commerce priorities, which made it a little
15 harder, frankly, for us, because we did sort of have
16 to sort of search around in the dark for a while
17 to figure that out. But it also allowed us to sort
18 of as a group say, hey, these are some things going
19 on. The other thing that she did though was also
20 say, don't worry too much about what's in
21 Commerce's sphere of influence.

22 The SBIR project, which I spent a lot

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1 of my time working on, most of the SBIR program is
2 outside of Commerce, like almost all of it is
3 outside of Commerce. There's two very, very small
4 SBIR programs within Commerce and then the rest of
5 it is coordinated by SBA, which is not part of
6 Commerce, and then it exists in all these other
7 federal agencies. But we were sort of given the
8 encouragement to identify the things that will
9 support the broader initiatives across the federal
10 government. And she said, we'll work with Labor,
11 we'll work with Education, we'll work with the
12 other agencies if that makes sense, recognizing
13 that she can't implement stuff in any other agency,
14 obviously, but could bring the stakeholders
15 together. So, that was a valuable finding for me.

16 So, I would just say, this group can
17 decide, I think, and we didn't necessarily have the
18 set of recommendations from 1.0 the way that this
19 group now has some unfinished things or some next
20 steps recommended, but I think this group can
21 really decide if they want to, to do none of what
22 we did last. I think it would be a shame if we let

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1 it all stop, because there were so many great
2 things, I think, that have some momentum. But I
3 think it's really up to the group to decide which
4 of those this particular group of people is excited
5 about, and then also throw in some new ones.

6 So, I think it would be, to answer that
7 question about balance, I think it's kind of up to
8 us collectively as this new group, and I hope it's
9 a mix. And to that end and I think coming back to
10 the four goals, find something that you will
11 champion, and I think as others said, you're going
12 to spend time on this, find something that you
13 actually are interested in and have expertise or
14 areas of interest that you can apply to kind of dig
15 into, because it is sort of unformed for a while,
16 a lot of the projects, until we spend some time
17 working on them together.

18 MS. LENZER: Thank you, David. And
19 while you're passing that over, so, Orin, to your
20 point, as far as like setting priorities based on
21 the Secretary or new Secretary, Secretary Pritzker
22 was always, we're the voice of business. We are

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1 the voice of business in the government. And so,
2 we're America's Innovation Agency. And those were
3 the broad kind of lines that she painted. The next
4 Secretary very well could come in and say, NACIE,
5 I have these three things I want you to do. I mean,
6 that's very much within the Secretary's purview.
7 And so, we don't know. And so, we'll talk a little
8 bit later about kind of then what do we do for the
9 next six months, because we've been thinking a lot
10 about that, and I don't want to take away from their
11 time. But go ahead, Steve.

12 CO-CHAIR TANG: Yes. I want to touch on
13 some of Orin's questions Whitney's questions, I
14 think also Rebecca's. And just to carry that
15 thought forward, I think we need to presume that
16 we have an agenda that bubbles up from our
17 experiences that's important, regardless of who
18 the next President is going to be, regardless of
19 who the next Secretary is going to be, and then all
20 the positions throughout Commerce. That's the
21 only way I think we can build momentum over 100 days
22 to get there.

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1 Orin, to your point, strategic versus
2 tactical, I will make a strong case, and I'll be
3 transparent about this, that we need to make sure
4 the SBIR reauthorization gets done with the kinds
5 of changes that we suggested. Now, it's up to me
6 and those of you that believe that to convince
7 everybody else that's what we want to work on, all
8 right? That's back to Craig's point, we are like
9 a congress of innovation and entrepreneurship
10 here. And besides that, there's nothing that
11 compels us to do anything except work together and
12 come to a consensus on what we want to do. So,
13 that's the only presumption.

14 Whitney, to your question about
15 lobbying, so, first and foremost, I think this will
16 be reflected later in the ethics discussion, but
17 correct me if I'm wrong, we may not lobby as NACIE
18 members, okay? We may lobby as individuals, and
19 some of us do that anyway through a variety of
20 different methods. Everybody still there? Less
21 than three, okay.

22 (Laughter.)

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1 CO-CHAIR TANG: Okay. So in the case,
2 I would use the SBIR situation as a case study. And
3 so, when we are able to influence the language in
4 the bill for markup in the Senate, then several of
5 us actually deployed our resources to lobby Capitol
6 Hill as our day jobs, not as our NACIE role, to do
7 so. And that was a very interesting coalition that
8 David and Rohit and SSTI and my government
9 relations folks, including Sol Behar, who's
10 actually here today, brought together. So, there
11 is a mechanism to do so, but it's rather indirect.
12 And obviously, the folks from EDA cannot lobby
13 Congress either.

14 MS. LENZER: Nor can we ask you to lobby.

15 CO-CHAIR TANG: Right. So, we may --
16 the way it typically worked in practice is, I would
17 say, hey, Julie, just to let you know, we're going
18 to be up on the Hill talking about these things,
19 just to let you know.

20 MS. LENZER: Right.

21 CO-CHAIR TANG: And she would say,
22 nothing, basically. So, that's the mechanism.

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1 MS. LENZER: Which is hard.

2 (Laughter.)

3 CO-CHAIR TANG: I think there was a wink
4 or something like that that I got.

5 MS. LENZER: Esther, you had -- did you
6 have a question along those same lines?

7 MS. BALDWIN: Yes. Stephen, thank you
8 for explaining what the SBIR reauthorization was.
9 So, I don't know what the 2.0 projects are, is there
10 a list of what those projects are?

11 CO-CHAIR TANG: Yes.

12 MS. BALDWIN: Is there a list of the ones
13 that have not been continued? When they were
14 started, were there measurable milestones with a
15 date? And why weren't they finished?

16 MS. LENZER: So, yes, you were sent a
17 list of --

18 CO-CHAIR TANG: Yes.

19 MS. LENZER: -- or it's on Slack,
20 actually --

21 MS. BALDWIN: Okay.

22 MS. LENZER: -- if you've had a chance

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1 to log into Slack. Yes, Emily's got it right
2 there. And --

3 CO-CHAIR TANG: Right.

4 MS. LENZER: Yes. So, go ahead.

5 CO-CHAIR TANG: No, I was just -- yes,
6 so they're in there. And there are a variety of
7 reasons why they were only taken as far as they
8 were. Some of them were timing, some of them were
9 the ability to campaign resources. But I would
10 have to say, there were things that we covered which
11 were not in that package, which were, I would think,
12 very bold ideas. At one point, Rob Atkinson, who
13 heads the Information Technology and Innovation
14 Foundation, myself, and a few others, got this idea
15 that we would present the repatriation of foreign
16 profits, that \$4 trillion that's sitting offshore,
17 to help fund innovation. Okay.

18 That wasn't in -- you didn't see that
19 in there, because basically what we did with that
20 is, we had the Secretary ask her folks for data
21 analysis to analyze how that would actually happen.
22 So, that's a big idea that didn't get action for

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1 a variety of reasons. It's not to say it won't be
2 brought up at some point and there won't be other
3 bold ideas. So, I don't want to give you the
4 impression that everything we did was in that
5 document, because it wasn't. There was a
6 selection process, which I think is part of what
7 we're going to do tomorrow in the design thinking
8 to get us started in terms of the creative process.

9 MS. LENZER: Marie, you had something
10 else?

11 MS. LYNCH: One other piece that might
12 help with the color on this is, so, Steve's talking
13 about ideas that were good that didn't make that
14 cut for that list. But there was also a whole bunch
15 of things that were came at, that were tried or
16 pushed on and we also dropped. Right? So I think
17 that's an important piece. So, without going into
18 details, I just want to give you an example of a
19 couple -- why things were dropped.

20 There was a very strong prospective by
21 some member from the business community and the HR
22 front, had a follow-up conversation with Labor

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1 about an agenda item we wanted to push, and it
2 became very apparent on the call that Labor was not,
3 this was not going to go. And so, because there
4 was other competing priorities, we said, you know
5 what, we're in an uphill battle, there's nine
6 months left, and we're done.

7 There was another one on employer
8 driven training, which actually there was a ton of
9 passion about, but really there were so many people
10 already involved in it and we didn't have funding
11 that it seemed like we just -- we assigned a
12 representative just to kind of monitor it. So,
13 just to -- I think at that point, I think we had
14 the same question about, we looked at the 1.0 things
15 to see if there was anything we wanted to take on.
16 I think it's good to do that, but do know that the
17 process of dropping things is important too. And
18 --

19 MS. LENZER: Sometimes saying no --

20 MS. LYNCH: Saying no is okay.

21 MS. LENZER: -- is a good thing.

22 MS. LYNCH: Yes. And I think the last

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1 thing is, just again, time. Two years goes by in
2 about a second. Especially when you don't have
3 direct authority to make anybody do anything.

4 (Laughter.)

5 MS. LENZER: Herding cats, I think has
6 been said.

7 MS. LYNCH: You have to be really honest.

8 MS. LENZER: Yes. Orin, you had another
9 question?

10 MR. HERSKOWITZ: So, we did get the list
11 of --

12 MR. BUERSTATTE: Sorry, Orin, could you
13 speak into a mic, please?

14 MR. HERSKOWITZ: Sorry, my back doesn't
15 do well with --

16 MS. LENZER: No, no worries.

17 MR. HERSKOWITZ: -- sitting for hours.
18 We got a list of things that did get passed along,
19 we didn't get the list of things that didn't. And
20 especially the ones from 1.0. So, we avoid
21 reinventing -- for instance, some mentioned that
22 in the SBIR, the final report was actually

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1 apparently not as interesting, I can't remember if
2 it was the SBIR or not, someone said this morning
3 that the draft report was much better --

4 MS. LENZER: It was the OSTP, when they
5 were talking about the brainstorming for 1.0, the
6 access to capital report.

7 MR. HERSKOWITZ: Oh, the access to
8 capital, right.

9 MS. LENZER: Yes. Had a bunch more
10 detail --

11 MR. HERSKOWITZ: So that --

12 MS. LENZER: -- in there that got
13 scrubbed out.

14 MR. HERSKOWITZ: -- the much detailed
15 version that got sanitize for the final report,
16 that the draft version was even better. And so,
17 if there was some way to get access to the list of
18 things that you guys were pushing on a string and
19 you just gave up, so that we don't reengage on that,
20 that would be awesome.

21 MR. BUERSTATTE: Real quick, Orin, let
22 me respond in a thought there, and it's related to

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1 what you just said as well as on transition and what
2 new priorities and the new administration might be.
3 I think one of the reasons why I'm talking right
4 now, I think, is a direct representation of the
5 strategy that Commerce has deployed and OIE and EDA
6 to establish continuity. We've built out OIE
7 staff, we've asked five members from 2.0 to
8 continue to serve, and we've built a wealth of
9 institutional knowledge over the last two years to
10 strategically transition.

11 So, I sense a little bit of concern
12 about what might happen in the next six months, but
13 I can promise you that we've been very smart and
14 tactical about that to ensure that we're not
15 reinventing the wheel. So, we also try to keep
16 things as simple as possible for you guys. It's
17 been a lot of information over the last 24 hours
18 and we've still got another day to go. So, rather
19 than focus on some of the ideas that were addressed
20 and didn't go anywhere, trust me, we have that
21 knowledge and we have that information and we can
22 get that to you electronically or via conversation.

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1 But we've been smart and tactical.

2 MR. FREDERICK: I'm Scott Frederick from
3 New Enterprise Associates, a venture capital firm.
4 I was struck by the language where you said
5 something was sanitized and I just want to make sure
6 I'm not over thinking. Was that sanitized by the
7 --

8 MS. LENZER: No, no, no, I think it was
9 just --

10 MR. FREDERICK: -- NACIE members?

11 MS. LENZER: No, no, no, it was more it
12 was the draft of the document and there were some
13 ideas that were just, in the interest of space, that
14 maybe didn't have consensus, so they --

15 MR. FREDERICK: Dropped it.

16 MS. LENZER: Yes. No, it wasn't like --

17 MR. FREDERICK: I just wanted to make
18 sure there wasn't --

19 MS. LENZER: -- I could tell you, but I'd
20 have to kill you, kind of stuff. That wasn't it.
21 Go ahead, Andrew.

22 DR. REAMER: Two unrelated questions.

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1 One is, to what extent does NACIE have the capacity
2 to ask for information from different parts of
3 Commerce? So, it was raised earlier, the falling
4 rate of business startups, and so it would be nice
5 to get some information, say, from the Office of
6 the Chief Economist, give us a little five page
7 briefing on --

8 MS. LENZER: Absolutely. No, we can
9 help connect you with those folks --

10 DR. REAMER: Okay, great.

11 MS. LENZER: -- to get that information
12 that we have, sure.

13 DR. REAMER: That's -- and the second
14 question has to do with the role of the chairs.
15 Could you, I guess, could you explain from OIE's
16 point of view, perspective, the role of the
17 co-chairs? And also I'd love to hear from the
18 co-chairs about their vision for their approach to
19 co-chairing us --

20 MS. LENZER: Sure. And so --

21 DR. REAMER: -- their aspirations.

22 MS. LENZER: -- we've learned about the

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1 roles of co-chairs and so, this year -- last year
2 we had three and they were each aligned with
3 innovation, entrepreneurship and workforce. And
4 this year, what we did is we pulled one from NACIE
5 2.0 and one from NACIE 3.0, that was the intention
6 there. And the role, as we've explained it to them
7 and I'll let them, I'll explain it and then they
8 can tell me what they understand, is really to help
9 us on the ground as your peer to facilitate, to help
10 drive to actionable, because we can't, we're a
11 small staff and, in fact, one of us is leaving soon,
12 and so it's going to be even smaller.

13 And so, it's really helping to
14 facilitate, ear to the ground, if there's something
15 that you're pissed at the way we're doing it, you
16 can tell the co-chairs and they can come to us. I
17 mean, it's really no more than that. It's not --
18 the leadership of NACIE is really in the work
19 groups, so those are the initiatives that are going
20 to form and there's going to be work groups around
21 those.

22 So, everyone here has an opportunity to

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1 be a leader, they're just kind of assistant
2 wranglers, not just, but, I mean, it's a very
3 important thing, and chosen, Melissa for her
4 experience and prior administration and this
5 administration, understands kind of the levers,
6 and then, Steve, as part of the work that he did
7 on the SBIR and what he does in his day job and on
8 NACIE 2.0. They just understand how to help us
9 prioritize and things like that. So, I'll let you
10 guys kind of tell me if I'm crazy.

11 CO-CHAIR BRADLEY: No, I mean, I said
12 this morning in the breakout that I see my job as
13 co-chair as a facilitator. I think, having served
14 under Clinton and Obama, I have the sense of how
15 to get things done and still know a lot of the career
16 people that are here. I also take it, whether I'm
17 co-chair or not, as a responsibility of somebody
18 who's here in D.C. to be able to be here, to be
19 present, to represent all of us, and to be able to
20 share information back, because I get that it's not
21 going to be easy.

22 Things happen in less than 24 hours in

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1 D.C. and so, I see myself as being opportunistic
2 on behalf of all of us so that we are present where
3 we need to be as a group. And I see myself as an
4 information chair. So, I want to encourage people
5 to use Slack. I have figured it out thanks to my
6 children.

7 (Laughter.)

8 CO-CHAIR BRADLEY: But I think that one
9 of the biggest things, and Kathryn talked about and
10 it came up in the meeting that we had around access
11 to capital, I see my role as to help connect
12 networks. The theme has been that all of us
13 represent a lot of people and so, to the extent that
14 I'm willing to give some time, I'm willing to
15 leverage my research assistants, I'm willing to
16 leverage my students to help us stay connected and
17 have this have a multiplier effect, I see myself
18 as a foot soldier for everybody here around this
19 table.

20 CO-CHAIR TANG: And I absolutely agree
21 with what you heard from Julie and from Melissa.
22 What I would add to it is, I believe that to those

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1 that much has been given, much is expected. And
2 this group is an enormously talented qualified
3 group and I think part of our roles as co-chair is
4 to keep the energy and the enthusiasm high. Unless
5 we engage you fully in this process and that you
6 are enthusiastic about what we are doing, I don't
7 think we have extracted the full value of this NACIE
8 experience in total.

9 I think there may be times where we want
10 to coax out those that are a little more quiet,
11 there will be times where we want to edit those that
12 are a little less quiet, and that stuff is going
13 to happen. But it's all about your engagement and
14 your energy here. And I think that we first and
15 foremost have to listen carefully to what we hear
16 and don't hear and try to rally you around that.

17 MS. LENZER: So, along those same lines,
18 David, I'm curious about, how did you get the most
19 out of the experience? So, from looking back, what
20 did your -- what does good engagement look like and
21 how do you get the most out of this?

22 MR. KENNEY: Well, I'll make a comment

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1 --

2 MS. LENZER: Go ahead.

3 MR. KENNEY: -- I think about that. I
4 was going to comment on some of the work that gets
5 done between the quarterly meetings, that I was
6 thinking that would be helpful for some perspective
7 on. And I think it very much relates to what we
8 all get out of the experience, because there's a
9 pretty structured agenda and, I mean, we get some
10 work done in work groups during the two half days
11 that we're together as NACIE, but the reality is,
12 to actually move any of these projects forward
13 requires some work outside of the meetings.

14 And I would say, as is everywhere else
15 in life, you get out of it what you put into it.
16 And there were definitely a couple of times where
17 I was working on projects and we realized there was
18 a meeting, another NACIE meeting, our quarterly
19 meeting in three weeks and we really hadn't done
20 much since the last one on a particular project and
21 then we'd scramble. And other times when we'd lay
22 them out, we'd say, well, let's make sure we talk

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1 about this in the next two or three weeks after this
2 meeting so that we can actually make some progress.

3 Ultimately, we'll work in smaller work
4 groups around things that we care about and the
5 staff is available. Each work group historically
6 would have one of the staff assigned to support it
7 and they're bandwidth constrained as well, but the
8 clearer you can be, if you want to get a meeting
9 scheduled, we can ask Craig and Eric and the team
10 to, hey, can you help get the four of us together
11 and I heard there National Academies report, could
12 you find out more about that?

13 And Eric was great on our SBIR staff
14 getting folks from the National Academies to come
15 and do a conference call with us in the interim to
16 explain what they were doing on SBIR so that we
17 weren't reinventing the wheel and that we were able
18 to build on that. So, it was sort of very informal,
19 we didn't necessarily elect chairs, we just sort
20 of, whoever felt like they had the time, we would
21 just jump in, agree who was going to draft the next
22 version, when we'd meet again. And so, there was

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1 a lot of that kind of informal, but important work
2 going on between the quarterly meetings in order
3 to move our projects forward.

4 I wanted to also respond to something,
5 Rebecca made a comment about transition team and,
6 while I don't think we should get hung up on, like,
7 are we going to be effective or not in the
8 transition, I think we should just put our heads
9 down and get some work done, but I also do agree
10 that there's going to be a bunch of people who are
11 part of a transition team for the next
12 administration and it would be worth thinking
13 about, this is where, again, the staff hopefully
14 can really help us figure out who are key people
15 that are going to be relevant to this group and
16 ensure that we invite them to a meeting to talk to
17 us or for us to talk to them.

18 And, again, maybe also engage some of
19 the work groups, depending on what we all end up
20 working on. And then, I don't know where all we're
21 going with the conversation, so I'll just jump on
22 a completely different topic. On the Slack front,

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1 I've actually used Slack a little bit over the last
2 year. And for those that haven't, I recommend the
3 mobile version, because --

4 CO-CHAIR BRADLEY: It's a lot easier.

5 MR. KENNEY: -- it's actually a lot
6 easier and you can set up notifications. So,
7 assuming that the traffic isn't crazy, you can
8 actually get a notification on your phone just
9 telling you every time somebody's made a comment
10 and you can set up do not disturb hours so you don't
11 get dings on your phone in the middle of the night.
12 And that's an easier way to use Slack than assuming
13 you have to remember to go to the web version.
14 There's also a desktop app version that you can
15 install that also will do notifications. But it,
16 I think, will be a good tool for us to use.

17 MS. WILSON: So I think this goes to the
18 whole question too about, we're all doers, how do
19 we make stuff happen? And I think we're all
20 leaders in our respective fields, we're all leaders
21 in our community, and for those of you who were here
22 yesterday may have heard me say, every time I left

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1 one of these meetings, it was like a shot of
2 adrenaline and ideas, that I didn't have to wait
3 for policy to change, I didn't need to wait for
4 something to come down from Commerce, that I could
5 go back to Atlanta and implement whatever I thought
6 would make sense. And I think through that, there
7 became a lot of camaraderie.

8 Steve Tang and I have served on some
9 steering committees and boards at University City
10 Science Center, and so there's this dialog now with
11 some of his team of how do we tie together Philly
12 and Atlanta? I'm going out to meet Rohit in a few
13 weeks in L.A. to talk about how we can support his
14 companies. And it all ties to Capital Continuum
15 issues and SBIR and best use of those funds. Even
16 partnering with some different agencies.

17 So, through NACIE, I've been able to
18 develop relationships with OSTP, with Vice
19 President Biden's office, with NCI and the NIH, and
20 there's some interesting things coming together
21 there. And it didn't have to be from a kind of
22 formal policy recommendation standpoint, just

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1 seeing opportunities and gaps to make a difference
2 and having the platform to get in and make that
3 difference.

4 The other thing that kind of stemmed
5 from this is, I think it was in our probably third
6 NACIE meeting, we were upstairs, Julie
7 Goonewardene and, it may have been Christine, and
8 I were talking about, just over coffee, women in
9 technology transfer issues and women technologists
10 starting companies and there was some data that had
11 come out of the number of patents with at least one
12 woman's name on it in science and medicine has
13 skyrocketed over the past ten years, that when I
14 look around my community, I don't see any of those
15 women involved in starting companies, why is that?

16 And so, going back to Atlanta and
17 reaching across the Southeast region, kind of came
18 up with some theories on that and just said, hey,
19 what's going on in your university? Hey, what's
20 going on in your academic center? And, as a
21 result, we launched a Medtech Women group at the
22 Southeastern Medical Device Association, which I'm

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1 on the board, which is tying in a lot of EDA
2 initiatives from inclusion and diversity and kind
3 of two-fold.

4 One, how do we provide professional
5 development opportunities for those women who are
6 already in industry and are not in the C suite?
7 Because there are no women in the C suite in medical
8 device companies, maybe HR and compliance, but not
9 anywhere else. And then, on the technologist
10 side, so doctors, nurses, engineers who are coming
11 up with these great new technologies, how do we
12 provide them the mentoring, connectivity, and
13 network to say, all right, if I have an idea, this
14 is how I get that to market? Because there's a void
15 right there in the scientific community.

16 And all of that really came over having
17 coffee and just a chit chatty discussion with some
18 of the colleagues and we just decided to kind of
19 move forward with it. So, it's really, to your
20 point David, it's kind of you get out of it what
21 you put into it.

22 MS. LENZER: Do you want to add to that?

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1 CO-CHAIR TANG: I just want to pick on
2 David's comment about what happens between the
3 meetings.

4 MS. LENZER: Okay.

5 CO-CHAIR TANG: And I think it will
6 depend on what we're doing. I don't think any of
7 us want to have conference calls just to have
8 conference calls. But it depends on what we're
9 doing. When we got down to the rubber hitting the
10 road for SBIR, Eric was strident in getting this
11 group together and making sure we were moving
12 ahead. I think one of the learnings that we had,
13 and we talked about this, Melissa and Julie and I,
14 last week, is that, it is helpful -- all of you have
15 staff that work behind the scenes for you. It was
16 enormously helpful for me to have Sol briefed at
17 the time what was going on. So, I think we now have
18 established, it's okay for you to bring, I think,
19 let's see, one staff person?

20 MS. LENZER: However many people you
21 want to pay to get to D.C. or wherever we're going,
22 yes.

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1 CO-CHAIR TANG: Right. It's on you.
2 It's on you to do that. But I think it's enormously
3 helpful to have somebody from my team hearing the
4 full breadth of the discussion here in order for
5 us to go back and organize the resources that we
6 want to bring to the table to couple with the staff
7 here at OIE. So, I think we've legitimized that
8 now with NACIE 3.0.

9 MS. LENZER Yes.

10 CO-CHAIR TANG: And I think --

11 MS. LENZER: Yes, if you have -- to help
12 --

13 CO-CHAIR TANG: Right.

14 MS. LENZER: -- with some of the things,
15 yes, absolutely.

16 CO-CHAIR TANG: Yes. And I think that
17 will actually help us move quicker so now it doesn't
18 rely on us going back and briefing our staff and
19 them getting one version of the story and trying
20 to move from there. So, I think that's a good
21 development.

22 MS. LENZER: Marie's going to --

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1 MS. LYNCH: So just one small thing, you
2 may have figured out by today sitting in the
3 sessions that if you are an expert in innovation,
4 the workforce language, the workforce words sound
5 like a different language, right? And if you're
6 an expert in workforce and you're listening to
7 entrepreneurship, you don't know what the
8 acronyms, right? And so, I wanted to make a plug
9 for, and Craig knows I'm going to say this, but make
10 a plug for doing a community exchange, doing a visit
11 at one of the hometowns early in the tenure, because
12 a couple things.

13 One, if done right and now that we have
14 the roadmap for it, you get to do a deep dive and
15 actually see and touch and feel at a location
16 innovation, entrepreneurship, and workforce. And
17 so, whatever area you're not good in, you can now
18 visualize what's being talked about at the table.
19 Second, it is just a tremendous way to get to know
20 each other and to have a more casual relationship
21 and to understand what we're all doing as we're
22 reacting to and actually touching and feeling

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1 something.

2 So, the lab aspect of it I think will
3 be really interesting, Craig. That will be
4 different for 3.0 than 2.0, because we can use it
5 also as an opportunity to get to know one another.
6 So I think that community exchange. And then,
7 finally, if you decide to host it, do not
8 underestimate, like everything in life, the more
9 you plan, the better the outcome. And so, it
10 really is about bringing together your civic
11 leaders and some of your best practices and
12 prepping them that it's okay to talk about what
13 doesn't work and what you need them to talk about
14 during the sessions. Because otherwise it just
15 becomes an infomercial, which is not effective
16 either. And so, please, if you're signing up,
17 know, dig a little bit, really understand what
18 you're signing yourself up for, but it is an
19 incredible opportunity.

20 MS. LENZER: Great. Brian, you had a
21 question?

22 MR. BARTHOLOMEUSZ: Brian Bartholomeusz

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1 at the TomKat Center. I've heard a number of
2 people talk about, find something you're
3 passionate about and run with it. And I'm assuming
4 we're not going to work on 30 different things. It
5 would be really interesting to understand what the
6 guidelines of the process is, very quickly, in
7 terms of how some of these ideas are selected or
8 bubble up to the top.

9 MS. LENZER: Well, I think, and they said
10 this earlier, it's going to be up to the group,
11 because everything's done by consensus. I'm not
12 -- we don't set the rules for how you decide what
13 you're going to work on. But you're right, 30
14 people with passion working on 30 different
15 initiatives is probably not going to be what you
16 want to do. And, in fact, Secretary Pritzker was
17 very clear, she said, I'd rather have a few really
18 high impact things that are done well, than 15 that
19 are just done mediocre.

20 And so, it's just like picking out what
21 you're going to do in your business or in your
22 organization, it's like, how do you figure out

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1 where to spend your time, knowing that you do have
2 two years, that you have certain levers that the
3 government, things that the government could
4 actually do. And so, was that part of what we were
5 going to talk about tomorrow at the -- I don't think
6 so. I don't think so, but it's something we can
7 certainly look to develop over the next two
8 meetings.

9 MR. BUERSTATTE: Yes. Just a couple
10 quick points that I think align with that question,
11 Brian. There's two, maybe three typical scenarios
12 that we've seen over the last two years where an
13 opportunity arises. One is where we, the U.S.
14 Government, have a specific question about a
15 program or a policy that we're trying to address.
16 We're not quite certain what it is, we're not quite
17 certain how to deploy some funding, and it's very
18 much a consultation experience. The other one, so
19 that would be a push or well, a pull from us, I
20 guess, but the other would be a push version where
21 you all identify a gap in your own communities and
22 in industries and organizations and say, you guys

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1 aren't doing this and really should be thinking
2 about it, and you push that to us as a new idea.

3 MS. LENZER: But preferably, you're
4 working to get your colleagues around the idea too.
5 So, it's about also building peer consensus around
6 the problem and the opportunity.

7 CO-CHAIR TANG: And my last pitch on
8 this, I think resources have been brought up in a
9 number of different ways today and Steve talked
10 about having staff support and I think that's a huge
11 value. The value on U.S. Government on the staff
12 side is where, can we get our colleagues, sometimes
13 if required, our colleagues in various agencies
14 and, whether it's SBA, Treasury, we met some last
15 night, here across Commerce Bureaus, are they
16 interested and do they have the bandwidth to move
17 this forward as well? Our initiatives will touch
18 so many different issues across government that
19 it's important that there's buy-in across our side.

20 So, on the resource side, those
21 resources have to be committed. And I think when
22 we shopped it around, it was said earlier,

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1 sometimes things get shopped around and there's
2 just not appetite for it. And Marie said it with
3 the Department of Labor and it was just not the
4 right timing for them. So, important to note.

5 MS. BALDWIN: I must have been asleep
6 yesterday. The summaries yesterday are the 2.0
7 projects. Would it be fair to say that one of the
8 first things that we should do is understand what
9 finished is and disposition, yes or no, are we going
10 to pick them up?

11 MS. LENZER: Sure. I mean, yes, you can
12 take a look at what's in there and who has an
13 appetite for, yes, this is really exciting, carry
14 it forward. And I think that, Melissa and Steve,
15 in your wrap-up this afternoon, is that one of the
16 areas that we're going to touch on, right? In kind
17 of the last hour, going into tomorrow. So, yes,
18 absolutely. As you read those, do you read the
19 summaries and go, oh, okay, or do you read this and
20 go, wow, wait, this is really something that we
21 should do, and then make the case for it.

22 I will tell you that each of the folks

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1 that are here from NACIE 2.0, most of them are here
2 because they have something that they're excited
3 about that they'd like to continue. So, expect to
4 be -- yes, well, no, yes, and that's -- by the way
5 -- lobbied for it, yes. And by the way, we're all
6 professionals, productive conflict is good, right?
7 And if you guys are all sitting around the table
8 nodding yes at each other, I'm going to be really
9 disappointed.

10 (Laughter.)

11 MS. LENZER: We did not, no bobbleheads
12 were allowed at the last one.

13 MR. MANDELL: I'm Josh Mandell. So, I'm
14 Penney's Senior Advisor on Innovation and
15 Competitiveness Policy. So, my time is short here
16 as well, so I'm going to do my best to influence
17 all of you as much as possible and then I'll just
18 disappear.

19 (Laughter.)

20 MR. MANDELL: Just one point on time
21 lines. So, if you look at NACIE 1.0, their biggest
22 achievement that I think is basically the passage

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1 of the JOBS Act. Which was kind of just started
2 to come online around 2011-2012 and just a few
3 months ago actually became law. So, if you -- and
4 that's basically allows non-accredited investors
5 to invest in startups via crowdfunding mechanisms
6 and so on and so forth. So, we're talking about
7 the number of things you want to hit and the number
8 of things you want to do and whether we want to make
9 a big splash or a small splash, and I also think
10 to add to the complexity is that you don't have to
11 necessarily consider things which are going to be
12 done on your watch.

13 And one person around, I mean, there's
14 probably a few people around the table that can be
15 a reality check for how long things take in
16 Washington, especially when it comes to
17 legislative change, but I would definitely take
18 advantage of your friend, Andrew Reamer, at the end
19 of the table who, I think, was modest in his ability
20 to be a reality check for the kinds of ideas and
21 the kinds of traction that you'll actually end up
22 getting in Washington.

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1 And I think that, I'm sure there's a lot
2 of value that Andrew can add, but from where I sit,
3 I think that's where he can kind of really be a
4 filter for what's achievable in what kind of time
5 frame, what's been tried and what hasn't. So, I
6 think that that's certainly something to consider.
7 And also, to reiterate what David said, I don't see
8 any future Secretary of Commerce, or President for
9 that matter, coming in and saying, this is what I
10 want NACIE to focus on. I just don't see a scenario
11 where that's going to be the case.

12 The whole idea behind having a Federal
13 Advisory Committee of people that come from the
14 real world is that we have 50,000 people who work
15 in the Department of Commerce, millions who work
16 for the federal government, we need people from
17 outside our organization to tell us how we can
18 operate better. So, in the scenario where someone
19 is going and saying, these are the priorities, this
20 is what you should focus on, I think that actually
21 loses the value of NACIE. So, I would fight
22 against -- you definitely want to be somewhat

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1 aligned, I don't see anybody who's running for
2 president that is on an anti--innovation platform,
3 but then again, we never know. So, that's my --

4 (Laughter.)

5 MR. MANDELL: And I'm here also until,
6 well, I don't know how long I'm going to be here
7 for, but January 20 is the latest that I'll be here,
8 but I'm a resource as well. I work with the State
9 Department, Small Business Administration, Labor,
10 Treasury, Transport. If there's any other
11 agencies or anything, these guys also work with
12 them, I can connect you with the right resource.
13 I'm here to act as a liaison between NACIE and the
14 Secretary and other parts of government, so, feel
15 free to use and abuse me for as long as I'm here.

16 MS. LENZER: Go ahead, Joe. Joe had a
17 question too.

18 MR. SCHOCKEN: Thank you.

19 (Laughter.)

20 MS. LENZER: He doesn't even know what
21 Slack is, but -- slacker.

22 MR. SCHOCKEN: And there are no slackers

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1 around the table here. I'm Joe Schocken from
2 Seattle, Washington, Broadmark Capital. In my
3 business life, we're deeply involved in technology
4 and medical life sciences kind of financing. And,
5 Josh, I just wanted to pick up on the comments you
6 made there about the JOBS Act, because that's
7 something that hits really quite close to home. I
8 was deeply involved in the development of the JOBS
9 Act and actually very proud of that.

10 Josh, parts of it became effective in
11 2011 when it passed, the portions dealing with the
12 IPO. It was the equity crowdfunding portions that
13 were so badly delayed by the SEC. And so, if I
14 could just kind of swing from that specific to the
15 more general, my view on innovation and
16 entrepreneurship is that the big issue is capital
17 formation. I certainly take note of that report
18 back in the first NACIE cohort and that's certainly
19 the issue that I would like to be focused on because
20 there are so many things that could be done around
21 capital formation.

22 One of the issues that came up this

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1 morning is this question about the regionalization
2 of venture capital and the absence of financing for
3 innovative companies in parts of the country.
4 That's an issue I would certainly like to roll into.
5 Parts of the JOBS Act remain unimplemented today
6 or have been damaged by various agencies. So there
7 are a series of issues there that, I think, actually
8 cut right to the core of innovation and
9 entrepreneurship. And so, I'm going to certainly
10 encourage that capital formation be a significant
11 focus and I certainly volunteer for being involved
12 in that.

13 MS. LENZER: Thank you. Orin, did you
14 have another question?

15 MR. HERSKOWITZ: Just a follow-up
16 question for Josh. You mentioned, just because
17 we're looking for a few positive examples of what
18 works, and going back to NACIE 1.0 within our group.
19 You said NACIE 1.0 worked extensively on the, had
20 an influence on the JOBS Act, how did that -- like,
21 what worked?

22 MS. LENZER: So, interestingly, none of

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1 us were here when NACIE 1.0 was in and, in fact,
2 we had very little institutional knowledge because
3 there was no OIE for about a year after the former
4 NACIE left and I came onboard in May of 2014. But
5 I know that the access to capital report was where
6 it outlined some of the broad ideas that eventually
7 got implemented in the JOBS Act, but it wasn't NACIE
8 itself, there were some individuals, like Steve
9 Case, who worked with Joe and other folks to try
10 and get that legislation pulled forward.

11 It was not necessarily a NACIE group,
12 they kind of did the research on the access to
13 capital and then it kind of -- like, to your point,
14 don't be afraid to jump into something that's going
15 to take longer than your two years, especially if
16 you've laid out a path for it or see that there --
17 legislation doesn't happen overnight.

18 MR. MANDELL: Steve was the bridge
19 between NACIE 1.0 and NACIE 2.0, that was kind of
20 -- and so he's the one who educated us on kind of
21 what worked and what didn't for the last NACIE, now
22 we have that same pattern between 2.0 and 3.0.

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1 MS. LENZER: Can you pass it down, Trey
2 wants to talk?

3 MR. BOWLES: Hi, Trey Bowles. I'm the CEO
4 of the Dallas Entrepreneur Center, which is a
5 501(c)3 organization in Dallas to help
6 entrepreneurs start, build, and grow businesses,
7 and co-founder of the Dallas Innovation Alliance,
8 which has developed a Smart Cities Initiative and
9 Test Lab launching in Dallas in the next few months.
10 So my question, and Marie, you mentioned this a
11 little bit, but I know NACIE doesn't have a budget,
12 but if there are things that NACIE want to do that
13 cost money that we can go get somebody to pay for
14 it, how does that work?

15 MS. LENZER: Network.

16 MR. BOWLES: Okay.

17 (Laughter.)

18 MS. LENZER: We've got this great thing
19 that will help you with that. You can't actually
20 ask for money on behalf of NACIE.

21 MR. BOWLES: But you can ask for money
22 on behalf of initiatives?

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1 MS. LENZER: If the Dallas
2 Entrepreneurship Center would like to find a
3 sponsor for donuts and coffee so that we have donuts
4 and coffee or somebody wants to provide that,
5 that's fine. But, yes, those are good questions
6 for Dana when she comes in for the ethics briefing.

7 MS. LYNCH: Well, let me give a real
8 example. So, we had an initiative that we were
9 supporting, that employer driven training survey.
10 And that was -- it was going to cost money to get
11 that done. And so, what was happening, even though
12 we didn't finish that up, what was happening was,
13 there was a couple of foundations at the table and
14 then there was also offers being made from NACIE
15 members to identify other foundations who could
16 then help fund that project. NACIE would be a
17 co-sponsor, there was many, many folks involved in
18 it. And so, it was a really effective way to
19 actually utilize the network to get funding for
20 something that was important to the group. So,
21 when we kind of quickly said, that's a good thing,
22 that's maybe an example of how it can work

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1 effectively.

2 MR. BOWLES: And organizations in
3 exchange for their money?

4 MS. LENZER: So, Whitney, you're good at
5 -- because you're unhappy, why don't you answer how
6 somebody like JPMorgan Chase was evaluating what
7 to fund?

8 MS. LYNCH: We may be getting a little
9 bit into the weeds with this, but go ahead.

10 MS. W. SMITH: I mean, in a simple way,
11 foundations are looking for good ideas to invest
12 in and can take more risk often than government can.
13 So, if you have ideas, I don't care where they come
14 from, we will consider it. I mean, in this
15 specific case, it wasn't clear that there was going
16 to be an appropriation or federal money for it, but
17 a lot of foundations are interested in answering
18 the question of what employers are doing in terms
19 of investing in their workers, so it aligned with
20 our priorities. And that's actually not done, I
21 think that foundations are still waiting for scope
22 of work on it.

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1 MS. LENZER: Believe it or not, that's
2 been our hour. Really quickly, I'm going to go
3 around and ask the former NACIE members, why did
4 you come back? And we're going to end with that.
5 Really quickly, tweetable response.

6 CO-CHAIR TANG: There's more work to be
7 done.

8 MS. LYNCH: I mentioned this at lunch,
9 because we weren't done, we were only halfway
10 through, it wasn't done.

11 MR. KENNEY: I don't have anything
12 terribly insightful beyond those. I mean, that
13 was what motivated me. And I felt like I could
14 contribute to helping new people come onboard more
15 effectively and I thought it would be a great way
16 to contribute by just helping to explain our
17 experience.

18 MS. WILSON: All of the above. And just
19 to be really candid, a couple of years ago, I
20 started to get a little bored and this has been,
21 in just the day-to-day work, and this has been one
22 of the most rewarding experiences professionally

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1 and personally in my adult life. And so, I'm just
2 really looking forward on building that and
3 enabling other stuff.

4 (Applause.)

5 MR. BUERSTATTE: At this time, we are not
6 going to break, but we will break into a new
7 session. And I realize this has been a long push,
8 so I would -- yes. But at this time, we will break
9 from the public portion. So, for those on the
10 line, we are breaking for an administrative session
11 and we will be back, we will resume the public
12 session at 4:30 Eastern. At 4:30 Eastern, we'll
13 resume the public session.

14 Good afternoon, folks. This is Craig
15 Buerstatte back with the public portion of the
16 National Advisory Council on Innovation and
17 Entrepreneurship FACA meeting. Right now we're
18 going to convene or begin the final session of
19 today's agenda with co-chairs leading off
20 discussing what our next steps are. Steve and
21 Melissa?

22 CO-CHAIR BRADLEY: Thank you. This is

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1 Melissa Bradley speaking. So, I just want to say
2 a couple of things to help us transition. So, one,
3 having been a political appointee, I have been
4 where you are and the shock and awe, oh my goodness,
5 what can I do. And I think that part of this is
6 recognizing that we have a huge responsibility,
7 right? That as entrepreneurs we want to be risk
8 takers, but we also have fiduciary
9 responsibilities and moral obligations, for the
10 companies that we associate ourselves with, that
11 we invest with, and certainly for the communities
12 that we serve. So, I would just ask as somebody
13 who's been through many ethics briefings, not
14 because I did anything, but just to make sure --

15 (Laughter.)

16 CO-CHAIR BRADLEY: -- that it's
17 important we put in context, right? That this is
18 no different than if we were getting ready to make
19 an investment and we need to be doing diligence that
20 we would do in how we operate, because we do have
21 the privilege to be at a much higher level. With
22 that, I think to help us transition and hopefully

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1 take a deep breath and we'll see everybody come back
2 tomorrow and next time, is I am humbled by the
3 excitement and enthusiasm for us to move forward.

4 And I think the beauty of this is that,
5 again, it is a blank canvas, it's not the business
6 model canvas, it's a blank canvas, and how do we
7 begin to put some framing on that? And tomorrow
8 is a great opportunity for us to go through design
9 thinking and brainstorm, but I certainly heard the
10 questions, okay, when do we get to the real issues?
11 And I'm excited, because time is ticking. But I
12 would ask that before we dive deep, to take a step
13 back and think about, what is the best framing for
14 us collectively?

15 We've heard a lot of themes, we heard
16 a lot from NACIE 2.0, because there's lot of ways
17 for us to frame this. And I was actually speaking
18 to Andrew, and I'll just give some examples, I think
19 that -- I don't think I've met anyone yet, but I
20 haven't talked to everyone, that issues around
21 diversity and inclusiveness are not important.
22 Not because it's a moral obligation, but because

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1 of demographic shifts and the historical
2 under-investment in these communities is
3 significant, in addition that for some or others,
4 because of who we serve or who we are, it's a very
5 personal issue.

6 Should that be or does it have to be an
7 issue in and of itself? Maybe not. Could that be
8 a larger rubric where we focus our efforts that then
9 allow us to have the latitude to have a lot more
10 issues. The other thing that I learned and heard
11 from 2.0 was that we are federal special, special
12 S-P-S-H-L, special federal employees. And that
13 means that we have the duty to be unbiased. And
14 so, yesterday I heard a lot of great research done
15 that was very much data driven.

16 So, if our larger frame or North Star
17 is inclusiveness and diversity in all that we do
18 and the undergirding is driven by data, then that
19 gives us a lot of opportunity to create pillars in
20 between. And if I may use the example, I think that
21 we all have issues that may not appear in
22 conversation to be the same, but if we step back

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1 and widen our aperture, there's probably a lot more
2 commonality. May I use our discussion at lunch?
3 So, we had a great conversation, thanks to Scott,
4 in particular, and also Joseph and Chad and Kara.

5 And Joseph, if you haven't caught on,
6 is very passionate about community colleges. But
7 then we stepped back and said, you know, I said,
8 do you think community colleges are going to make
9 it? Do you think it should make it? Because I
10 don't necessarily resonate with the community
11 college, not because I don't personally, but I'm
12 at a four year institution, but you know what we
13 have in common? The same demographics. He's in
14 West Virginia, I'm in D.C.

15 So, how do we step back and say, this
16 is an issue around how to marginalized communities
17 have a pipeline to education, access, and
18 opportunity? That's a much easier sell, I think,
19 for more of us than just focusing on community
20 college. So, all I would say for tomorrow is to
21 think about what are the big goals that we want to
22 have in terms of solving? How and what are the ways

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1 and pathways that we individually and, most
2 importantly, in work groups can advance those?
3 And what is the undergirding we need to be
4 successful?

5 It's going to be data, it's going to be
6 access to other federal employees. And I would
7 also say, personally, think about it in chunks,
8 right? So, think about it in what can we do
9 immediately to really leverage the momentum of what
10 has happened before us? What are some of the short
11 term things? Thinking about post-transition.
12 And I think most importantly, to what Josh has said,
13 what's the long game?

14 For me, I'm excited probably less about
15 what we're going to do together, but when I watch
16 my kids grow up, I can say, that happened because
17 this group got together. When I see more kids
18 coming to community colleges and being able to --
19 that's a case study, as opposed to the MIT and the
20 Stanford folks, nothing personal, being successful
21 entrepreneurs. That's success to me. So, I think
22 my only guidance or facilitation is, at dinner, if

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1 you've got ideas, let me know personally.

2 But I'd say, before you nail in on
3 something, think about what is a larger goal that
4 we collectively want to say, we checked the box and
5 we nailed that? How do we do that by being much
6 more inclusive ourselves, so that community
7 colleges, four year institutions, urban
8 environments, rural environments, we all have
9 similar issues, capital is universal, how do we
10 really hone in on that and organize around that?
11 And then, what are the tools, much like Tom talked
12 about, that we need to be successful?

13 CO-CHAIR TANG: I just want to pick up,
14 and I agree with Melissa, some of the comments about
15 what to do with the output of 2.0, okay? First of
16 all, it's not proscriptive, it is a starting point,
17 I think, and the reason that the veterans of 2.0
18 want you to have that is because we didn't have it
19 for 1.0. So, it's your starting point, okay?
20 Questions about why things didn't get done have a
21 lot to do with the political environment more than
22 anything else. It's not that conceptually they

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1 were off, it's that we couldn't gather the support
2 at the time to move them forward.

3 Even issues like SBIR, which I
4 mentioned that I'm passionate about, don't have
5 anything to do other than monitor the legislative
6 process to see when the markup of the bill comes
7 up and then we can act accordingly. So, don't take
8 that as a constraint or as something that narrows
9 your view, view that as this is something that the
10 previous group came up with that you can build on
11 or carry forward or monitor. So, if you have more
12 specific questions, I think we can answer that in
13 the context of the design session tomorrow.

14 But I think what Melissa and I are
15 saying collectively is, don't presuppose anything,
16 either your agenda or the agenda for this Council,
17 all right? If you are passionate about something,
18 be prepared to frame it in a way that makes it
19 appealing for the broader audience and the
20 collective wisdom and resources in this room. I
21 will have to say that I would expect that some of
22 things that you're going to suggest are not going

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1 to gather a significant consensus collectively for
2 the Council.

3 That doesn't mean you don't do anything
4 with it, you can find ways of working with other
5 people on the Council to drive it forward outside
6 of the official sanctions or support of the
7 Council. That happened in numerous ways, I think,
8 in 2.0. And you heard about the way that outside
9 funders worked, I think it was specifically
10 JPMorgan, the Aspen Institute, coming together to
11 fund the work at the University of Chicago.

12 So, these things happen in the context
13 of this room because you have folks that have day
14 jobs that will pick up on these ideas as well. So,
15 there are plenty of outlets for your ideas, all
16 right? And so, the game is not to have the right
17 answer tomorrow, the game is to start the process
18 tomorrow and see if we can coalesce a couple things
19 that we can action before the next meeting. So,
20 Craig and Melissa, I'll just stop there and maybe
21 if there are remaining questions on that, we can
22 take that. But hopefully that puts you in a

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1 mindset of abundance and positive thinking about
2 what you want to accomplish and we want to
3 accomplish tomorrow.

4 MR. BOWLES: Real quick, we were talking
5 earlier, Marie and I were talking about the
6 criteria by which 2.0 used to determine what
7 projects you were going to pursue. Is there any
8 way we can see what that criteria is before we meet
9 tomorrow so that we can --

10 MR. BUERSTATTE: Yes. Marie, are you
11 referring to the framework that we kind of built
12 between the different verticals?

13 MS. LYNCH: Somehow it didn't, yes, it
14 didn't get, sorry, it did not get picked up in the
15 onboarding, I noticed --

16 MR. BUERSTATTE: Okay.

17 MS. LYNCH: -- the document, but if you
18 --

19 MR. BUERSTATTE: Yes.

20 MS. LYNCH: -- go back to the Google
21 meeting, we had --

22 MR. BUERSTATTE: Yes. Yes, we looked at

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1 a few -- just given the original charge of NACIE
2 and, well, 2.0 with these subcommittees and the
3 work around the policy initiatives related to those
4 committees, as well as the opportunities that we
5 had discussed over the first, and Marie is
6 referring to the Google meetings, so this is about
7 a year into it. So, then we took the portfolio of
8 work that we had and then put it into verticals and
9 essentially organized it into a broader strategic
10 vision.

11 So, if you think about that, we're a
12 year into it and organizing our work into strategic
13 vision, maybe not the best way to go about it. We
14 probably should have started with that strategic
15 vision first, perhaps. Or it depends on how you
16 prefer to work, you're the advisors, not I, maybe
17 you discuss a few near term wins, things you want
18 to look into for the first 100 days and then what
19 language or what story does that tell?

20 MS. LYNCH: Is it -- do you have, sorry,
21 just to be super specific, do you still have the
22 list of, there was a literally a bulleted out list?

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1 MR. BUERSTATTE: Yes. Yes, we sure do
2 have that.

3 MS. LYNCH: Can you bring that for the
4 morning session so we can have it?

5 MR. BUERSTATTE: Yes, absolutely.

6 MS. LYNCH: And in fairness to
7 everybody, you don't have to accept it. It's just
8 a place to start, consider it counsel and
9 direction, but --

10 MR. BUERSTATTE: Yes.

11 MS. LYNCH: Yes. Maybe Slack it.

12 MR. KAPP: Can I just offer one
13 recommendation? Because I hear a lot of emphasis
14 on 100 days and impact and all that kind of stuff,
15 and I get it, I recognize that, but I also want to
16 go ahead and just make sure that we're also keeping
17 the context of -- and, Melissa, it's something that
18 kind of dovetails with what you were saying, to just
19 kind of reiterate that we also have an opportunity
20 for a shorter arc, right? So if we look at
21 incubators and accelerators, the ability to go
22 ahead and fund things today, but if we look at it

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1 also from a little bit of a longer arc, right, and
2 what is it that we can go ahead and pass to 4.0?

3 And one of the things that I would
4 encourage us to think about is something that
5 perhaps maybe spans to the next folks and a little
6 bit of a longer arc so that we maybe come up with
7 sort of shorter things, but also think about what
8 sort of legacy that we're going to be imparting when
9 we go ahead and have that transition and what sort
10 of legacy are we going to be leaving. Because a
11 lot of the stuff that we've been talking about is
12 sort of immediate, let's go ahead and fund
13 businesses and different programs, but education
14 in particular and what legacy do we leave and how
15 do we go ahead and potentially even have an impact
16 on the culture of America, both in urban
17 communities, in rural communities, K-12, colleges,
18 community colleges and universities?

19 I would like for us at least, and I'm
20 a planner, I don't have any kids, but if one legacy
21 that we can go ahead and think about is sort of
22 starting with the end in mind and where do we go

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1 so that we're leading into 4.0 potentially, in
2 addition to that immediate 100 days. What are
3 maybe one or two things that we may be able to work
4 on that have longevity?

5 MS. BAGLEY: Repatriation of funds. I
6 mean, I don't know if it's a worthwhile exercise.
7 Well, one, I think we need to look at that again
8 in the transition. But, two, okay, so if you have
9 whatever the number is, did you throw out \$4
10 trillion? Okay. So, let's say we have \$500
11 billion to spend on innovation, like, what do you
12 even recommend happens with that money? I mean,
13 again, is that an exercise that's in futility or
14 is it an exercise that generates a huge vision that
15 then we can also work back if it doesn't come to
16 fruition into some things that are more manageable
17 chunks of that.

18 I mean, because that's just a whole
19 other level of thinking. Let's say the whole \$4
20 trillion doesn't come into innovation, but a
21 quarter of it does or whatever, I mean, that's an
22 incredible amount of money to say, can we even

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1 digest, how do we even digest that as a nation over
2 the course of time to be able to make an impact on
3 the types of things we're thinking? So, that's a
4 way to consider the question tomorrow morning.

5 CO-CHAIR TANG: I think we are
6 encouraging that type of thinking.

7 CO-CHAIR BRADLEY: Any other questions?
8 Because I wanted to pose one to the group and I don't
9 want to shut it down. So, I have to imagine that
10 because people are really busy, you didn't think
11 about what you wanted to accomplish before you said
12 yes, particularly after you've been given all that
13 financial information. So, I would ask everybody,
14 but in tweetable form, only two, but two things or
15 two reasons why you said yes. Because I think
16 we're all entrepreneurs, we think in various
17 chunks, I'm hearing visioning and design thinking
18 and reverse engineering.

19 So, try to step outside the process of
20 how, but I'd love to hear what people want, because
21 I also think there's some angst of, uh oh, are the
22 3.0 stuck with the 2.0, but we don't even know what

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1 the 3.0s want. So, this is no commitment, I'm
2 asking as fellow member, no power here as a
3 co-chair, but what are people interested in? I
4 think it would just be good now, because it's
5 another way for us to continue to get to know each
6 other and have conversations. So --

7 DR. WOMACK: Can I answer that?

8 CO-CHAIR BRADLEY: Chad?

9 DR. WOMACK: I want to create -- I want
10 to make sure that African-Americans are fully
11 participating in the innovation and tech economy.
12 And that we actually have deal flow that connects
13 up to the other ecosystems throughout the country.

14 CO-CHAIR BRADLEY: Thank you. We don't
15 have to go in any order, but I do want to ask
16 everyone to participate.

17 MS. FINNEY: And just to piggyback on
18 what Chad said, the reason why I accepted and wanted
19 to be part of it is, 80 percent of all new businesses
20 since 2007 have been created by black and Latino
21 women entrepreneurs, but we receive less than 0.2
22 percent of all venture capital and the receipts of

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1 our companies are somewhere around \$35,000-36,000
2 a year.

3 If we are talking about why business is
4 stagnating, it's because you have these huge groups
5 of people who are being completely excluded from
6 the innovation and entrepreneurship economy. So,
7 how do we bridge that? How do we create
8 connectivity between companies who signed on to the
9 Tech Inclusion, with the people who are actually
10 doing the work?

11 MR. KHOSLA: So, as I think about it, I
12 think this whole country was built on innovation
13 and entrepreneurship, used different words around
14 World War I, World War II. And we have existence
15 proof of successful examples of that, so I want to
16 understand how do we scale it and why can it not
17 be scaled? I mean, what is our problem right now?
18 And I think if we can figure that out, we would be
19 going very far, because except for like four or five
20 cities, we've not been able to scale it. So that's
21 one.

22 Secondly, I think we need to rejigger

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1 the education system in a way that we have not done.
2 And it's not about MOOCs, it's not about online
3 education, it's about the fundamental notions of
4 what is being taught, why, when, where, how. And
5 so, I have a very big interest in that, because I
6 think even -- it might not be the Department of
7 Commerce's goal, but I think that is the basis from
8 which everything starts. And we need to work with
9 DOE and other agencies to just figure that out.

10 DR. TOONE: I would build on that too.
11 I think that how we use our educational agencies
12 to deliver material to students, I'm very
13 interested in finding, thinking about ways that we
14 can measure the impact of what we're doing. We do
15 an awful lot of teaching, I don't think we do enough
16 work to measure the impact of what that does. The
17 other thing that I very much want to do at the
18 University is to find ways that the federal dollars
19 that flow into universities to support fundamental
20 research can be used more effectively to get the
21 result of that research out into the big world where
22 they actually impact people's lives.

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1 MS. BAGLEY: I'd say one of the things
2 that has always been of interest to me is the
3 connectivity of things. So, I just see so many
4 people working on so many great issues from all the
5 things we've been talking about, inclusion,
6 connection, university pipelines, industry. I
7 just feel like there is so much disconnection
8 around those efforts, so companies don't
9 understand, like I was just talking about,
10 companies don't understand the work that's going
11 on to connect these disconnected,
12 African-American, whatever the population is, into
13 these pipelines.

14 And so, one of my big continuous things
15 is what are the big ideas to sort of connect these
16 pieces together so that we can move forward in a
17 more effective and efficient -- and I'm not saying
18 it's like one ring that rules them all, right, but
19 it's this network of connectivity that I don't
20 think that everybody -- do you like my Lord of the
21 Rings reference?

22 (Laughter.)

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1 CO-CHAIR BRADLEY: Go ahead.

2 MR. KENNEY: To Pradeep's point about
3 scale, one idea that we had in 2.0 that we didn't
4 really do much with, and I think both Marie and I
5 remember having a conversation about it a long time
6 ago, is the idea of replicating successful models.
7 Rather than always looking for a new way of doing
8 things, really using federal resources to say,
9 that's a good idea and let's use federal resources
10 to help other people copy it when appropriate. And
11 so, that's something I would love to see and move
12 forward.

13 MS. BOESCH: Yes, I was thinking I'd like
14 to build on the theme of connectivity, because I've
15 spent a lot of time working inside the government
16 and a lot of time working for the private sector
17 and I think the lines of communication between both
18 of them kind of really need to be improved. I would
19 love to see people that I see in the private sector,
20 entrepreneurial sector, taking better advantage
21 of, knowing more about, kind of having easier
22 access to programs that the government already

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1 offers that simply don't have visibility or
2 connections to those places.

3 And vice versa, I want a lot of the
4 really interesting and innovative things I see
5 happening, especially in some place like
6 Cambridge, to actually come back and benefit the
7 U.S. Government and there's no real easy ways to
8 do that either. So, I'm looking at how we can start
9 to blur the lines between the people that kind of
10 know how to work with the government and
11 exclusively do that and people that work in the
12 private sector, because I think that will need to
13 blur.

14 MR. NEMETH: So, I'd like to also add in
15 the perspective from those Tier 2, Tier 3 cities.
16 I'm in Columbus, Ohio and it's a long repeated
17 phrase of, how do we build the next Silicon Valley
18 in Columbus, as if it's going to be the same. It's
19 going to be different. I'm in the science and
20 technology space, so that's what I'm familiar with
21 and I think those cities will adapt differently.
22 I'd also like to throw out a comment on something

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1 that's come up a couple times and, for me, it was
2 new a couple months ago, and that's this Smart
3 Cities concepts.

4 And I know if you are like me, when you
5 first heard of transportation as this economic
6 driver in the last year, I didn't take it as
7 seriously as I do now when I better understand the
8 impact it has on a lot of different fronts. From
9 a connectivity standpoint in the physical sense of
10 just even connecting customers inside of a
11 community, and you think about sort of the
12 fundamentals of starting a new business, not
13 necessarily a huge startup, but even just a small
14 retail shop in an underserved part of town, if you
15 have a better transportation network, you have more
16 customers, you have more opportunity for investors
17 to just even come visit the opportunity that you're
18 trying to build. So, I'd like to throw that out
19 there as it's not something I'm an expert in, it's
20 just something I'm interested in and I've seen the
21 impact it's making on this.

22 DR. REAMER: I have two interests. One

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1 is helping to build the capacity of the federal
2 government to create and implement an effective
3 economic strategy for competitiveness. What I
4 think is that the economic well-being of residents
5 of this country is dependent on the ability of
6 American-based companies to compete in global
7 markets. But the government has no strategy. The
8 government doesn't monitor the competitiveness of
9 America. The economic policy of the U.S.
10 Government is focused on managing the business
11 cycle, it's not focused on managing the economic
12 structure and the components of that, including
13 innovation, entrepreneurship, and workforce.

14 So, if I ask people in the Commerce
15 Department, what are the ten key industries that
16 compete in global markets and how are they doing,
17 they can't tell me. And so, people who run
18 businesses run them with a strategy, you scan your
19 environment, you figure out your competitive
20 strengths and weaknesses and you act on them.
21 Federal efforts around competitiveness are program
22 driven, but there's no overarching strategy. And

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1 that concerns me greatly. It's something that
2 states have been doing for 30 years, and I can go
3 into reasons why the federal government doesn't do
4 it.

5 But that is a broad interest. And
6 then, a more specific interest is in the realm of
7 improving the ability of the federal government to
8 see to the provision of labor market information
9 so labor markets can work better and so that
10 workers, students, employers, and educators can
11 all make better decisions in labor markets.

12 MS. LYNCH: I would like to see us scale
13 and replicate the best practices in innovation,
14 entrepreneurship, and workforce that reside in a
15 lot of our great cities, and do that either through
16 a vehicle of community exchanges or some new idea
17 that will come out of this group so that we can make
18 our cities stronger.

19 MS. GOLDIN: I'm Kara Goldin and I'm the
20 founder and CEO of this product, Hint. Haven't
21 said much today, been listening a lot. But
22 basically, I started the company 11 years ago to

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1 really get people thinking about what's inside
2 their products. And specifically around food and
3 beverages, very soon in the skin care market as
4 well. And I didn't come from the food and beverage
5 sector, I came from the tech sector, was at AOL to
6 seven years prior to that running the e-commerce
7 team.

8 And basically, I think a lot of my
9 success has been just because I've asked the
10 question, why? And why are things done this way
11 in this industry and why do we believe this and why
12 are we allowing sugar and sweeteners to be inside
13 water? So, I want to take that same really stance
14 to really understand why are we thinking this way,
15 why aren't things pushing through? And too, my
16 conversation with Craig earlier, is can we create
17 little wins along the way? It's great to have long
18 term goals for what we're going to accomplish in
19 the next two years, but part of my success has been
20 being able to chip away at the rock, as I say, in
21 order to create small wins, even though I'm up
22 against major lobbyists like sugar and Monsanto and

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1 lots of companies like that. So, thanks.

2 MR. BOWLES: I think for me it's twofold.
3 First is to help understand from a governmental
4 perspective what resources, tools, funding,
5 solutions we can make available to early stage
6 entrepreneurs, and we focus a lot in the government
7 on small businesses, but specifically early stage
8 entrepreneurs of all types. So that's one
9 initiative, to be the voice of that entrepreneur
10 and what kind of things they need to be successful.

11 And two, I see over our work at Startup
12 America and now with the Startup Champions Network,
13 I see an emerging group of new ecosystem builders,
14 and making sure that we are incorporating them into
15 standard incubators and research parks and
16 universities as we do and really understand --
17 because they have a lot of really great firsthand
18 data and insight into what's happening with those
19 same entrepreneurs and what those people need.
20 And so, I think being able to really think from that
21 perspective what kind of things can be done to help
22 them be more successful at an early stage.

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1 MS. S. SMITH: I can see some
2 similarities in some of the things that have been
3 said so far and Andrew in particular with regard
4 to strategy. I think any economic strategy has to
5 include a way to have more accessibility for
6 students to education. And whether that's four
7 year education or two year education, that
8 education is critical to our country and to
9 companies in our country. So, that was one of the
10 things that, among other things that have been said
11 here, but that was one of the things that I was
12 particularly interested in trying to determine.

13 MS. STEVENSON: So, speaking from a
14 retail business, because I work for Sephora, we're
15 in a huge growth mode, which has been really
16 exciting, and we've been trying to keep the spirit
17 of innovation. Knowing that retail traffic is way
18 down, people have fewer and fewer reasons to come
19 to a mall, we've really had to think differently
20 about what attracts a client, what keeps a client,
21 what makes that relationship sticky and so, we've
22 really put a lot of investment on innovative

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1 thinking about redefining what the client
2 experience is.

3 And we've had a lot of success with
4 defining sort of a curriculum that has really
5 prompted a lot of thinking. And after going
6 through a few cycles of doing an innovation lab,
7 it really made me think about, from a workforce
8 development perspective, how do we create a mindset
9 around innovation that pushes far beyond just
10 digital? So, working in San Francisco, it's very
11 Silicon Valley focused, but innovation and
12 entrepreneurship, it's a mindset.

13 And it's something that I think I would
14 love to leave a legacy of that mindset being a part
15 of our educational system very early on and getting
16 into communities that don't get this information.
17 So, why shouldn't we start at the second grade,
18 third grade, about innovative thinking? And we're
19 taught to memorize things and regurgitate, but
20 we're not taught to think about what if and why.
21 And so, I really would like that curriculum to be
22 something that's available to all, so that's why

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1 I joined.

2 MR. FREDERICK: Very well said. It
3 actually dovetails pretty well with my experience.
4 And it's interesting, I love seeing how diverse all
5 these experiences are, but then how common so many
6 of the goals are. So, I've been involved in
7 entrepreneurship for probably 20 plus years, most
8 of it on the venture side, but I also was an
9 entrepreneur, helped start a business. So, near
10 and dear to my heart are the teaching of
11 entrepreneurship.

12 I've never thought that the majority of
13 schools do that right, and it can be taught. And
14 I have two young daughters and just read a piece
15 on how we teach our boys to be brave and our girls
16 to be perfect and the long term ramifications of
17 that when it comes to STEM and entrepreneurship.
18 So, at a personal level, those are some of the
19 things that motivate me, but the other thing I want
20 to say, because I'm -- NEA is an interesting beast,
21 we're the world's largest venture fund, we manage
22 \$17 billion, and we're obviously profit motivated.

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1 What I love -- I will.

2 (Laughter.)

3 MR. FREDERICK: I've been picking up --
4 I mean, I'm happy to do it and I --

5 (Laughter.)

6 MR. FREDERICK: So, this is an important
7 point, and what you're probably going to see come
8 out is to some extent guilt, because what I'm seeing
9 are an amazing group of talented people who are very
10 mission driven. And the Valley's too dollar
11 driven and in my new role, I'm no longer on the
12 investment side at NEA, but what I do is I lead our
13 biz dev, corps dev, and federal initiatives. So,
14 I've been going around meeting with all the
15 agencies, primarily at the federal level, but to
16 be honest, I should also do it at the state, local,
17 municipal.

18 But I'm consistently impressed by the
19 talent and the extent to which people are mission
20 driven and it frustrates me when people in D.C. are
21 in the Valley, not government. Sure, there might
22 be a middle layer that's wasteful, but, man, the

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1 people are trying and they're talented. And so,
2 what I can bring, what I want to bring, is just a
3 wider aperture, because I see great people, but
4 they lack context. We've got context, because
5 between 507 portfolio companies, trust me, we see
6 just about anything out there on the
7 entrepreneurial front. So, that's what I hope to
8 do and look forward to working with you all.

9 MS. PEREZ WADSWORTH: Okay. So, a
10 couple of thoughts, and you all have shared so many
11 good things. On the issue of access to education,
12 specifically in service of innovation and
13 entrepreneurship, particularly among minority
14 communities, I think many people tend to think of
15 that in terms of the technology. And I think we
16 need to be even more broad, because successful
17 entrepreneurship requires a lot of skills, be it
18 in finance, in general business planning, in
19 marketing, in a lot of other areas, and I think we
20 need to not necessarily pigeonhole how we think
21 about education.

22 And I see this in my role, again, one

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1 of the many hats I wear is running our innovation
2 lab, and there are many interesting ideas that tend
3 to sort of meander and go nowhere specifically
4 because you're missing some of those key pieces.
5 And so, I think that's important. Along those same
6 lines, from where I sit in corporate America, and
7 I recognize I'm sort of one of the few at the table
8 with that perspective, I see a tremendous amount
9 of trapped innovation and entrepreneurship sitting
10 across big companies in this country.

11 And so, something I think is worthwhile
12 to think about and to discuss is how we might
13 unleash that, how we incentivize our companies to
14 really -- as an issue of workforce development, of
15 inclusion, of, frankly, growing great ideas and
16 strengthening business, I think that's something
17 that's very important.

18 MR. BARTHOLOMEUSZ: Apart from seeking
19 out scalable and replicable models to deploy, I was
20 interested in joining this group to find out if
21 there are actual tangible exchanges that can take
22 places between regions where innovation and

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1 entrepreneurship are at an advanced stage and
2 places where it's in early stages. And one of the
3 2.0 initiatives, the one that had to do with
4 innovation fellows, was something along the lines
5 that I was thinking about, where you would have
6 perhaps undergraduates from, catch them early,
7 undergrads from regions where there is a lack of
8 startups that they can intern at and bring them out
9 to New York, California, or Boston and have them
10 spend the summer there and see what this is all
11 about. This kind of thing. And I thought this
12 might be a good community to do that in.

13 The second thing, of course, that
14 interests me very much is increasing, finding ways
15 to increase participation of women in tech
16 startups. And I think that's something also that
17 we should be looking at more broadly and could be
18 looking at more broadly.

19 MR. HERSKOWITZ: So, speaking from the
20 university technology transfer side of the world,
21 I think when -- so, I didn't realize before I
22 started this ten years ago is that it is an

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1 extraordinarily close community of tech transfer
2 people across the country. So, especially amongst
3 the major research universities, most of the people
4 doing this day-to-day all know each other and are
5 all constantly talking to each other about ways to
6 do it better.

7 And over the last five years in
8 particular, there's been an explosion of startups,
9 startups for all sorts of reasons, but in our case,
10 startups is a way of getting what Eric was talking
11 about, these lifesaving or life improving
12 technologies out of the lab and into the market so
13 they can change the world, generate jobs, taxes,
14 exports, all that stuff. And increasingly,
15 without the startups, many of these technologies
16 are just dying on the vine. And so, basic research
17 is important, but what I'd love to see us focus on
18 so that we can get the message back to this network
19 is all the ways to cross that valley of death.

20 So, SBIR, that's why I love what you
21 were talking about SBIRs and the focus from the
22 first program, but SBIRs are just part of it. So,

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1 all the other ways to get these hard tech, the
2 things you can touch and stumble over, and often
3 do, get them into the market, not just out of the
4 university. So I would love to see that happen.
5 And for better or for worse, and I think I might
6 -- this always a somewhat dirty topic, but because
7 it's part of Commerce, the intellectual property
8 system in the U.S. seems like it is at a really
9 difficult point.

10 And we've got half of the future of the
11 country lobbying hard to kill patents, for totally
12 rational economical reasons, and we've got the
13 other half of the future of the country, devices
14 and diagnostics and therapeutics and energy and
15 materials, lobbying hard to strengthen patents.
16 And it seems like that are just like two trains
17 heading down the tracks straight at each other, and
18 if there's any ability to improve that situation
19 -- if Commerce can't influence commerce, then I
20 don't know what we're doing here. So, I would love
21 to see a discussion around intellectual property,
22 for better or for worse.

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1 MR. JOHNSON: So, my name is Rick
2 Johnson. I work for a private nonprofit that does
3 innovation-based economic development. We run
4 programs sort of for the state and federal
5 government where they outsource things to us. The
6 biggest program I run is the Kentucky Innovation
7 Network. We have 12 offices across the state, we
8 have 12 partners in each of the cities we're in.
9 But sort of my thing, I started out as an engineer,
10 I kept going to smaller companies where I could get
11 something done.

12 I ended up as seventh person or the
13 thirtieth person at a company and running an
14 engineering department with seven people in it.
15 We grew it to 1,800 people along the way. I moved
16 from engineering to sales to general management.
17 So, I've been the underdog sort of my whole life
18 is how it's felt. We got bought by a big company
19 and then I did turnarounds, that actually wasn't
20 all that fun. So I'm in Kentucky, sort of having
21 the time of my life, but Kentucky's an underdog,
22 everybody ignores it, most people haven't been

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1 there, they don't know anybody from it, and it's
2 actually really a wonderful place.

3 So, my goal, what I really want to take
4 away from this is, I mean, I'm really proud to be
5 associated with all of you and hopefully there are
6 ideas I can get and ways I can help you, but I know
7 there will be ways that you can help me. And I'm
8 really trying to drive the services from the public
9 point of view, really focusing on the customer and
10 who's a customer? Well, the taxpayer of the State
11 of Kentucky, I have lots of customers, I have the
12 Governor of the state, the Secretary for the
13 Cabinet. But how can we do more for less?

14 And so, I'm not stopping with this
15 Innovation Network, I'm trying to integrate all
16 federally funded, locally funded, state funded
17 programs and have a single point of contact and have
18 it across the state. I just put in a proposal back
19 to the Governor where we're going to have 18
20 locations across the state where we will be
21 considered local, but we're going to have a focus
22 that's going to bring together resources from

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1 anywhere, from anywhere in the state, from anywhere
2 in the country, money from anywhere.

3 And I always like big challenges and I
4 like being the underdog, but my goal here is to
5 change Kentucky and in five or ten years have people
6 say, what happened to Kentucky? How did they go
7 from forty-ninth to wherever? And by the way, we
8 are, this nonprofit I work for, we also administer
9 the SBIR/STTR program in the state of Kentucky and
10 the State of Kentucky has a matching program,
11 dollar for dollar, non-diluted equity up to \$1.15
12 million, Phase 1, Phase 2, and actually DoD
13 contracts at Phase 3, the customer's built it.

14 We've used that to recruit about 45
15 companies there and how we've done it is, we find
16 out who gets a grant, for example, an NIH grant,
17 and where we have researchers at UK or U of L, the
18 two research universities we have, that can be part
19 of their team and we go solicit them. We contact
20 about 2,000 every year and we get about ten to
21 relocate. Is that a lot or a little? It's
22 something. Once you have your foot in the door and

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1 it starts working, then you keep leveraging it.

2 We also run the largest early stage
3 venture capital fund in the state and the value of
4 our portfolio is nothing like yours, but it's
5 probably \$100 million. We probably make through
6 exits now somewhere between \$5 million and \$10
7 million a year in investments on that. Is that lot
8 or a little? It sucks, it's nothing. But we need
9 to grow that. We need to -- we can't be the lead
10 investor. So, there's all kinds of issues on the
11 capital side.

12 There's really, I'll finish with this,
13 there's really three pillars that I'm focused on
14 in the state to get the entrepreneurial ecosystem
15 there to grow. One is change the culture. The
16 other is program execution, and it has to be all
17 programs. And the other is access to capital.
18 And there's different types of capital, so I'm
19 trying to integrate the SBDCs into my organization
20 now and I've shown the Governor a way we can do that
21 and reduce personnel and expenses by 30 percent and
22 deliver more services.

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1 But the most important thing to me is
2 the ecosystem on the front-end and how do you get
3 the people as early as possible? And you talk to
4 them, you say, you can take control of your life,
5 you don't have to work at the company, work for the
6 Man, work for the, do whatever. You can go come
7 up with a dream, a passion, and you can take control
8 of your life following that passion. There are too
9 many kids that are left out, all the people that
10 apply for the Governor's School for Entrepreneurs
11 and all these things, it's just resume padding to
12 get into the right university. They're going to
13 leave Kentucky to go to an Ivy League school
14 somewhere else, I don't want them to leave.

15 But what about the people that are left
16 behind early on? We're implementing programs for
17 those people in the cities, and the earlier and
18 earlier we can get to them, the better it's going
19 to be. Our Lieutenant Governor, Jenean Hampton,
20 a black lady, she was in the military, she's not
21 from Kentucky either, we're rolling out a program
22 for her. How are we going to fund it? I don't have

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1 any money for it, we're going back to private
2 industry to fund that and we're up to, whatever,
3 \$84,000, and we're going to give kids college
4 scholarships, but it's not for four year schools,
5 it's for four or two or, actually, if they want to
6 start a business and not go to college, we're going
7 to help them fund that way. But anyway.

8 CO-CHAIR BRADLEY: So, you -- I should
9 clarify, you only get one Twitter, that was like
10 ten.

11 MR. JOHNSON: I -- yes.

12 (Laughter.)

13 MR. JOHNSON: I have an on switch --

14 CO-CHAIR BRADLEY: One hundred forty
15 characters.

16 MR. JOHNSON: I'm sorry.

17 CO-CHAIR TANG: Rick, I'm glad to say,
18 I land in Kentucky on the way to Cincinnati.

19 MR. YANG: Hello all, I'm Andrew Yang.
20 I just want to make a quick point about the fact
21 that entrepreneurship programs have tripled in the
22 last 20 years in colleges around the country and

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1 rates of business formation among 18 to 30 year olds
2 have gone down by more than 50 percent in the same
3 period. So, it's not like more education is
4 necessarily the answer.

5 I also want to throw out the fact, and
6 this is a comparison I draw a lot, because I went
7 to law school, that if you want to go to law school
8 and you're a 22 year old, your parents will think
9 it's a great idea, it's easy to find, and the
10 government will give you a \$100,000 loan no
11 questions asked. If you want to start a business
12 as a 22 year old, your parents will think it's a
13 terrible idea, it's still hard to find, and no one
14 is going to give you a \$100,000 loan.

15 So, there's a reason why we have a
16 surplus of 176,000 unemployed or underemployed law
17 school graduates, most of which federally funded
18 by 2020. And a similar dearth of entrepreneurs
19 around the country. I ran the country's largest
20 GMAT prep company, that was acquired by the
21 Washington Post, so I personally taught the
22 analysts at Goldman Sachs, McKinsey, JPMorgan,

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1 Morgan Stanley, and I saw all these smart kids doing
2 like what I did, which was go to law school and
3 become a corporate attorney. I lasted for five
4 months before I left to start a company.

5 And so, I started this organization,
6 Venture for America, to try and give them a path
7 towards entrepreneurship in Columbus, Detroit, St.
8 Louis, New Orleans, Baltimore, and other cities.
9 I started with \$120,000 of my own that I put in in
10 2011, this year our budget is around \$5.5 million
11 thanks to a lot of people. So, I'm here because,
12 one, I'm allergic to D.C. a little bit and I thought
13 that some repetitive exposure would help.

14 (Laughter.)

15 MR. YANG: But too, I think there are
16 real problems that need to be solved and that, like
17 if I could meet other people that wanted to help
18 solve them, that would be a fantastic use of time.
19 Hopefully we can get some real resources to work
20 and actually do things to be proud of in the next
21 two years.

22 MR. SCHOCKEN: Yes. I'm Joe Schocken.

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1 I kind of tipped my hand earlier by saying that to
2 me capital formation is really the issue, that's
3 where you create jobs and there's a significant
4 shortage and significant problems around the
5 capital availability for innovation and
6 entrepreneurship. Those problems in capital
7 formation are short term and they're long term.
8 And so, my idea is to pay attention to some of the
9 short term problems, such as fixing some of the
10 things, some of the low-hanging fruit in the JOBS
11 Act, that would create a lot of jobs.

12 But also to pay attention to some of the
13 systemic long term issues in terms of capital
14 formation that are hugely important. We have a 50
15 percent decline in the number of venture capital
16 firms in this country. We have a 50 percent
17 decline in the number of publically listed
18 companies in this country. And we have a huge
19 decline in new business formation. And so, that
20 leads to long term systemic kind of issues, how do
21 you move capital into other regions of the country
22 besides California and New York, things like that.

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1 And so, those are some of the issues
2 that I'd like to talk to or address in this effort.
3 Going beyond that, first of all, I want to encourage
4 a broader definition of innovation and
5 entrepreneurship. I hear an awful lot of focus
6 around the table today about technology, because
7 we're all kind of focused that direction, but
8 innovation incorporates much more than technology.
9 And so, I encourage us to really use a far broader
10 definition as we consider the various things that
11 we talk about.

12 Which leads to a subject which has not
13 come up much today, if at all, and that is
14 regulatory reform. It came up in one sense, the
15 One Day Startup proposal that was talked about this
16 morning, which I thought was just a brilliant idea
17 and I would certainly hope that comes to pass. But
18 think about the daunting tasks facing people
19 starting new companies, the federal, the state, the
20 local, the country regulations they have to deal
21 with. They want to start their business, they want
22 to hire people, they want to do things, and that's

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1 mentally where they are, but they're forced to deal
2 with this incredible array of regulations. And
3 regulatory reform is a hugely important issue if
4 you really want to address innovation and
5 entrepreneurship.

6 And finally, the last subject I would
7 talk about is this lobbying subject. And I
8 understand I may walk into some minefield here, so
9 I'm going to try to be careful about that. But that
10 is something that I've spent an awful lot of time
11 on. All of you connect to elected officials, your
12 Congressmen, your Senators, whatever. And I'm not
13 talking, here I'm not really talking about wearing
14 the NACIE hat at all, but what I am saying is that
15 all new job creation in the United States comes from
16 new and growing small companies, that's what all
17 the statistics show.

18 That's not understood on Capitol Hill.
19 And in fairness to our elected officials, they're
20 pretty busy people, they've got to spend half their
21 time raising money, and they've got to deal with
22 some pretty significant issues the rest of the

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1 time. And so, I think the other point that I would
2 make is that there's a real task and opportunity
3 for everybody here to take what they learn about
4 innovation and entrepreneurship and share it with
5 the elected officials and make them understand the
6 importance of this industry and doing things to
7 encourage business formation and business growth,
8 because you would think it is really understood
9 well by our elected officials and I can tell you
10 from long personal experience, that's not the case.
11 Thank you.

12 MS. BALDWIN: Hi, Esther Baldwin, Intel
13 Corporation. I've been with Intel 29 years,
14 mostly in startups, and I was in a software startup
15 before that. I'm here because I want to make a
16 difference. I was about two months away from
17 having my green card in China. I moved to China.
18 My top skills are strategy and futurism. I first
19 went there in 1985, I went back on an expat
20 assignment in the 1990s, another one in the 2000s,
21 and I just finished five years there.

22 It was my futurism and my patent

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1 recognition that made me want to move there. I
2 wanted to get a foot in the door for grandkids and
3 my great-grandkids before the immigration door
4 there closed, in a similar way that it has closed
5 here in the United States to immigrants. I am an
6 immigrant, it's very difficult to come here. I
7 came back because my daughter influenced me in some
8 of the things that she said, because I wanted to
9 come back and make a difference.

10 And a huge majority of the German GDP
11 comes from small to medium enterprises. If you
12 look at the Golden Years of the United States, it
13 came from people entering the labor market, and we
14 don't have that any more. So we have to replace
15 that and we have to replace it with innovation and
16 entrepreneurship. And I've spent since 2002 in
17 the discipline of innovation. Before that, I was
18 in workforce development, technical training,
19 engineering training for our engineers.

20 And so, I know that innovation is a
21 process, IDO came to Intel and helped us learn that.
22 It's a process with tools and methods and you can

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1 measure it and you can manage it. I suspect that
2 entrepreneurship is exactly the same. And so, I'm
3 here because I want to make a difference, to help
4 see that GDP number go back and help America get
5 back to the Golden Years of GDP growth.

6 DR. REICHERT: Great. The microphone
7 close enough this time? Thank you. All right.
8 So, I'm here for a lot of reasons, but I've been
9 surprised even in the short time we've been
10 together just how many things that you all have said
11 resonate with what I'm already thinking. So, just
12 a few things that have been touched on and then one
13 that hasn't. So, dear, dear issue of mine is
14 commercialization of hard technology, and I've
15 already had this conversation with at least six
16 people in this room, so I think that that might be
17 an area that we might want to focus on.

18 For me, that is all about the area in
19 which I work, which is energy startup technology
20 development and the lack of venture capital in that
21 space. That model is, the model does not work,
22 venture capital does not work for hard technology.

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1 And there are models out there that people are
2 experimenting with, with philanthropy, we're
3 working with corporate strategic partners, there
4 is potentially other ways to engage the government
5 to help in this sector. So, I'd like to look at
6 models, see what's working, measure it in a
7 quantitative way, and figure out what is the best
8 way to move forward?

9 The second thing is, how do we get more
10 women tech entrepreneurs and encourage women to
11 take these roles? And we've already had a
12 conversation with a couple of people during the
13 last break about that. So, from my perspective,
14 I have 54 companies at Greentown Labs, and of those,
15 we probably have six female founders, not CEOs,
16 founders, members of the founding team. So,
17 that's a horrible number, right, percentage wise.
18 And most of these people are mechanical engineers,
19 they're electronics engineers, they're MBA type
20 folks.

21 And I look at MIT, which is where a lot
22 of our companies come from, 50 percent of MIT

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1 entering freshmen are women now, so why does that
2 not translate into more women wanting to do
3 entrepreneurship and more women wanting to do
4 entrepreneurship in hard tech? And I think that
5 it has a lot to do with how we hold up a model of
6 an entrepreneur as kind of a white male, typically
7 like a Mark Zuckerberg type character, and that
8 women don't see themselves like that. I mean, I
9 think that's probably true for minorities from a
10 diversity perspective as well. You don't see
11 anyone that looks like you and so, you don't have
12 a model, you don't have a guide, or someone that
13 can show you the way.

14 I also think that women think you have
15 to be the CEO in order to do your own startup or
16 that that's the role, and what I see is that there
17 are many founding roles. And so, I think there can
18 be founding teams that are diverse and mixed, but
19 someone needs to tell people that there's more than
20 just the CEO role that you can do, and that may be
21 more comfortable for someone that doesn't want to
22 stand up and pitch all the time or maybe doesn't

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1 want to stand up and pitch in front of a bunch of
2 male venture capitalists, maybe someone else is
3 better suited for that. Great, it doesn't mean you
4 can't be part of an entrepreneurial founding team.

5 The final one I'll say, and this is very
6 different than I think anyone, territory anyone has
7 covered, but at Greentown Labs, we have founded a
8 whole initiative around connecting startup
9 companies who are developing hard tech, so hardware
10 based things that are going to be manufactured. So
11 that's kind of what most of clean tech and energy
12 is, you're making physical products, so you need
13 to manufacture those products.

14 So we've set up a program to help
15 connect startups to local contract manufacturers
16 across the state of Massachusetts and the State has
17 paid for that effort, and we have a whole network
18 now of manufacturers that we work with. And in
19 doing that, what I've come to understand, when you
20 talk to the manufacturers in these networks, you
21 realize that there's this huge thing that these
22 people are scared of, and that is the growing gap

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1 of talent to fill in for the people that are
2 retiring in manufacturing.

3 And it's kind of funny because when you
4 think of manufacturing, you think, oh, man,
5 manufacturing jobs are moving overseas, there's
6 less jobs. But actually in advance manufacturing,
7 the jobs that have to do with computing and building
8 stuff, and in today's manufacturing world, there
9 are not enough people to do it. And we're not
10 training our students to do this, because
11 manufacturing, most parents are going to tell their
12 kids to be lawyers, right? They're not going to
13 tell them to be in manufacturing, yet these jobs
14 are like \$70,000 or \$80,000 jobs like right out the
15 gate.

16 So, how do you connect the talent that
17 is out there with these manufacturing jobs that
18 need to be filled? And so, that's something that
19 I'd be interested in exploring or trying to
20 understand. It is a true gap and it's not just
21 Massachusetts, it's all over the country that there
22 are not enough people to fill jobs in

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1 manufacturing.

2 CO-CHAIR BRADLEY: Thank you.

3 MR. BUERSTATTE: Great. And I think
4 you're our last one.

5 CO-CHAIR BRADLEY: There are two more,
6 but I trust that the ladies will --

7 MR. BUERSTATTE: Running behind, so
8 let's make it good. Let's make it sweet, but good.

9 MS. W. SMITH: He's passing me notes
10 saying I have to be really brief. Okay. I'm with
11 JPMorgan Chase Foundation, I'm based in Chicago.
12 And professionally and personally, I'm interested
13 in strategies around inclusive economic growth,
14 making sure that everybody benefits from the
15 growth, particularly in regions. I think the fact
16 that NACIE is trying to bring together innovation,
17 entrepreneurship, and workforce is what was most
18 exciting to me, and I've been told by several people
19 in the 2.0 community that it took an entire year
20 for the workforce people to get more integrated
21 into the conversation. My number one goal is to
22 cut that, tomorrow we're going to start talking

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1 about that.

2 And I'll just say, secondly, those of
3 us who were in the roundtable this morning on
4 workforce heard that there's been this big paradigm
5 shift in workforce to be more demand driven. But,
6 frankly, employers that are large who have big
7 internal resources are able to navigate the
8 workforce development system better than small
9 companies, but the growth is in small companies.
10 So, I would really like to come up with some really
11 creative models around bringing talent or
12 workforce development together with those of you
13 that are growing small businesses.

14 MS. WILSON: Capital and women.

15 MR. BUERSTATTE: Capital and women, you
16 heard it here first. I'd actually like to hear
17 from one more person and that is the United States
18 public. Is there anyone on the line? We're open
19 for public comment at this point. All right. I
20 will take that as no one is on the line. Anyone
21 in person here, any public comment? Great. So,
22 at this point, we'd like to -- wow, it's hard to

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1 wrap up after all that passion and interest and
2 ideas. To the co-chairs, Steve and Melissa, do you
3 have any final remarks?

4 CO-CHAIR BRADLEY: I would just say
5 thank you, because I think the point of that was,
6 one, to kind of take the stress off.

7 MR. BUERSTATTE: Real quick, I just need
8 to add that what I'm passionate about, I would love
9 to make everyone here at this table as passionate
10 about national innovation and entrepreneurship as
11 Rick is passionate about Kentucky. That's a win
12 for me. Hey, real quick, we have yet to introduce
13 formally our OIE staff. And Eric Smith, you're in
14 the back there, Eric will be joining us for dinner
15 for sure. Eric's our senior policy advisor and he
16 has done some phenomenal work on moving that SBIR
17 initiative forward, as well as many others.

18 As our policy advisor, I think he's got
19 a unique perspective and if you haven't spoken with
20 him yet, I really encourage you to do so. And
21 Andria Fisanich, our program analyst. So, I think
22 Andria has quick announcements for us on logistics

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1 for tonight and tomorrow morning. Andria, what
2 are we doing tonight? We're going to get some
3 barbeque, right?

4 MS. FISANICH: For those of you that want
5 to come with us, we're going over, it's about a 12
6 to 15 minute walk, it's really nice outside. So,
7 DC has great fall weather, if you want to come with
8 us. It's \$42 cash, so if you don't have it, on the
9 way there I'm sure there are a few ATMs that you
10 can stop on the way and take out some cash. And
11 then, tomorrow we're headed to OPM, the Office of
12 Personnel Management.

13 You can put it in your Google Maps and
14 it pops up. Just make sure that you go through the
15 entrance on E Street, because when you put it in
16 Google Maps, it shows up kind of on a different
17 street in the middle of a building. So, just make
18 sure that you're going through the E Street
19 entrance and you shouldn't have any issues, just
20 bring your ID.

21 MR. BUERSTATTE: So, and again, we
22 provided the map to you guys, it should be in the

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1 email and the Slack channel. Real quick, any
2 questions from the group about any of that or
3 tomorrow's procedures? Great. Thanks for your
4 patience today and this morning and yesterday, I
5 know it's a lot of information. This is absolutely
6 the longest meeting for us as we kick things off.
7 It's super important to get a great understanding
8 of all that's happening and the lessons learned
9 from the prior Council.

10 So, just a quick reminder though and
11 trying to keep things simple despite all that's
12 just been, the long discussion and the ideas here,
13 our number three and number four goals, come
14 together as a team, so really encourage you tonight
15 to make another friend, build another
16 relationship. Number four, understand the value
17 of this experience. And as you build those
18 bridges, try to create some value. The tighter our
19 network is, the more meaningful our work will be.
20 So, thanks so much. Have a wonderful and see you
21 for some barbeque in a bit.

22 (Whereupon, the above-entitled matter

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1 went off the record at 5:40 p.m.)

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