NACIE 4.0: Virtual Vote

March 16, 2023
Washington, DC

Thursday, March 16, 2023

Location: Virtual Only
Virtual Connectivity Information: Microsoft Teams Meeting link; **Meeting ID**: 216 354 772 030; **Passcode**: mxsPoV
Audio Only: +1 (253) 292-3452 **Passcode:** 706 748 288#

3:00pm ET	Welcome—**Eric Smith**, Director, Office of Innovation and Entrepreneurship (OIE) and Designated Federal Officer for NACIE, Economic Development Administration, U.S. Department of Commerce
3:05pm ET	Welcome—**Alejandra Y. Castillo**, Assistant Secretary of Commerce for Economic Development, Economic Development Administration, U.S. Department of Commerce
3:10pm ET	Federal Co-Chair / Agency Head Remarks

- **Dr. Sethuraman Panchanathan,** Director, National Science Foundation (NSF)
- **Kathi Vidal**, Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office (USPTO)

3:15pm ET	Summary of the Tech Hubs Recommendation

- **Wendy Lea**, CEO, Energize Colorado, and Regional Innovation Hubs Workgroup Lead

3:20pm ET	NACIE Member Vote on the Tech Hubs Recommendation, facilitated by

- **Eric Smith**, Director, OIE

3:45pm ET	Public Comment
3:50pm ET	Wrap-Up
4:00pm ET	Conclusion of the Public Meeting

Appendix: Draft Recommendation

NACIE Regional Innovation Hub Recommendation

1. **Outreach and communications**

    - Hub Leadership should build and execute a communication plan that reinforces the CHIPS and Science Act language narrative and the supporting regional innovation hub narrative from the White House, the DOC, and the EDA. In addition, the hub's communications plan should outline the region's technology focus and commitment to foster collaboration and provide equitable access to all entrepreneurs and stakeholders.

2. **Leadership, governance, and structure**

    - The hub consortium should have a clear leadership and accountability structure.
    - The hub consortia should reflect the region's demographic makeup.
    - Hub leaders should demonstrate the ability to collaborate with all regional stakeholders and develop national and international connections to support the hub's unique tech focus and impact.
    - Governance should clearly define the roles and responsibilities of the leadership team, the consortium members, and other partners.
    - Governance should ensure DEIA strategies are applied throughout all levels of the hub.
    - Hub leaders across the US should build a network (virtual and in person). The DOC and EDA should support the network by convening Hub leaders regularly to build relationships, share progress, and showcase best practices.

3. **Hub strategic selection criteria**

    - In evaluating potential hubs, hub *potential is* more significant than regional *need*. In addition, technological advancement opportunities (inputs to an innovation economy) should carry greater weight than traditional economic development goals (outputs).
    - Hubs should geographically self-define based on the region's innovation culture, strategic technology focus, access to talent, capital, university resources, corporate engagement, and success stories that support the chosen technical direction.
    - The EDA should award a diverse pool of hubs representing strategic technology focus areas.
    - Hubs should build upon BBBRC, MBDA, and NSF Engines program awards and pursue partnerships with the region's federal labs and agencies that fund innovation programs (i.e., Department of Energy, Department of Education, Department of Defense).
    - Regions should include urban areas with a density of high potential indicators (e.g., STEM talent, entrepreneurship programs, research, and development, etc.) with evidence of and plans for connectivity to rural and other underrepresented populations and communities to expand access and impact of that potential.

4. **Ecosystem culture**

    - The leadership team and consortium need alignment on the mission and vision of the public-private partnership and its operational objectives and strategies.
    - The hub leadership should declare and operationalize its values across all activities and exhibit collaborative behavior when convening, educating, informing, and linking entrepreneurs with other stakeholders.
    - The core tenet of a thriving entrepreneurial ecosystem is a collaboration which requires trust, transparency, an interdependence of needs across stakeholders, and an active use of joint decision-making and creative problem-solving in the daily operations of the hub.
    - A culture of equity, diversity, inclusion and access is necessary for hub success.

5. **Technology and science strategy**

   - Hubs should prioritize the development of use-inspired research and technologies for industry vs. university-based basic research resulting from academic freedom. Therefore, a hub should declare a technology focus with a strong potential for commercialization and demonstrate that it furthers national security or domestic manufacturing capabilities.

6. **Talent strategy**

   - Hubs should adopt an "open-innovation" direction toward talent development programs e.g., industry recruitment incentives, boomerang programs, VC expansion incentives, and inclusion of innovators from the creative class.
   - Set up Skilled Pathway Innovation Networks (SPIN) as a parallel program to the Tech Hub program to leverage workers from all backgrounds.
   - Build labor-management partnerships, use apprenticeship programs, and leverage Career and Technical Education (CTE) curriculum

7. **Industry strategy**

   - Hubs should engage and collaborate with industry and private sector leadership to support talent attraction and retention, founder mentorship, business advisory/coaching, product development (as potential customers of tech solutions), exit opportunities, and access to global markets and partnerships.

8. **Capital Strategy**

   - Hubs designation should assess funding from the entire capital stack (grants, loans, equity) across a spectrum of investors - community foundations, the state, angel investors, venture capital, venture debt, private equity, etc.
   - Hubs must engage, develop, and support new or external capital providers to support financial sustainability.
   - Development and support should come from technical assistance to uplift the funding community, recruiting and training new and diverse fund managers, and from investment matching and other de-risking programs to ensure their success.

9. **Success metrics**

   - Develop an assessment system and a set of metrics to measure hub success and post-federal funding sustainability.
   - Prioritize metrics that track:
     - Technology advancement
     - New start-ups formed
     - Technology licensed for commercialization activities.
     - Talent development, especially goals of equity and access
     - Funding sources for new startups and growth rounds for existing startups
     - Corporate engagement
   - Request metrics and reports that associate and analyze metrics relative to their benefits to (a) domestic manufacturing and supply chain and (b) national security in the global innovation market.