



GO Virginia Region One
Advanced Manufacturing Working Team

March 7th, 2019

11:30 AM - 1:00 PM

Virginia Highlands Small Business Incubator
851 French Moore Jr., Blvd., Abingdon, VA

Meeting Notes:

In attendance:

Aleta Spicer, Southwest Virginia Workforce Development Board

Becky O'Quinn, The University of Virginia's College at Wise

Karen Sorber, Micronic Technologies

Sam Wolford, Genedge

Marty Holiday (via phone), New River/Mount Rogers Workforce Development Board

Tom David, Wiretough Cylinders

Tim Lawson, General Engineering

Susan Copeland, Virginia Coalfield Economic Development Authority

Robyn Lee, The University of Virginia's College at Wise

Andrew Barnes, The University of Virginia's College at Wise

Joe Gillespie, Virginia Economic Development Partnership

Te-Kai Shu, Strongwell

Lennie Gail Mitcham, The Southwest Virginia Alliance for Manufacturing

Mandy Barker, The Southwest Virginia Alliance for Manufacturing

Manufacturing Challenges Recap

After a welcome and introductions, Lennie Gail Mitcham provided a recap of the challenges discussed during the last meeting. These included:

- Recruitment and retention
- Passing a drug test
- Need for soft skills. Example: problem solving, team work, punctuality, attendance.
- Attendance challenges

- Finding high level talent
- Experience for certified employees. Example: not just passing a test, but real world abilities.
- Changing negative perception of blue collar work
- Workforce preparedness
- Exploring diverse hiring options

Manufacturing Listening Session

Tom David from Wiretough Cylinders in Bristol, VA was not present at the January meeting and was asked to discuss some of his company's challenges. Wiretough Cylinders makes pressure vessels for compressed gas for a rapidly growing worldwide market. His biggest challenge is the supply chain. With tariff and trade issues some manufacturers are out of business and the supply chain has had to be readjusted. They purchase from outside of the US. It was suggested that he go through Heart Project or VACEDA for funding. Mr. David explained that domestic products are too expensive. There was agreement that it was worth exploring the idea of a closer supply chain.

Sam Wolford with Genedge discussed some of the challenges expressed through roundtable discussions he has been to in the coalfields. The challenges are community based problems, so he started inviting everyone to the roundtables to see what could be done as a region. There are significant challenges related to volume and quality of workforce. The problem is across the US, not just southwest Virginia. Mr. Wolford asked, do we really see the future that is happening? In other words, is the future workforce what is expected? It is changing faster than companies are grasping. In reality, is what is being done today going to be relevant in ten years? An example is what is going to happen to the steel industry when graphene becomes available. Manufacturers need to anticipate future changes sooner. Industry 4.0 is already being implemented, for example robots and the internet of things. If companies acted on anticipated demand it would open up more opportunity.

Joe Gillespie mentioned that manufacturing needs people who are engineers and have a level of technical skills, which means some companies don't have employees with the skill level to invent new products. Students are graduating college and moving away. So, companies who want a new way of doing things don't have the help to do it. Small manufacturers need R&D. Mr. Wolford added the problem is we are marketing this region for low wage rates. We need to increase wages here. Te-Kai Shu from Strongwell discussed the lack of home grown talent and explained that Strongwell had to recruit an R&D Engineer from Pennsylvania. Mr. Shu is also interested in seeing studies showing economic mobility. He suggested a study showing the likelihood of a person moving from a lower to top quintile and then promoting this type of study to students and businesses.

When asked about R&D, Tim Lawson from General Engineering explained that his company is in such a niche market and so well established that their R&D is customer specific. That niche market is the most profitable. They also use 100% domestic steel and have seen issues with pricing and availability.

Joe Gillespie noted that another challenge is finding people who can read technical documents. He feels like companies are seeing people who have book knowledge but still can't do the job.

Sam Wolford added another challenge is getting communities as a whole to work together towards a vision. He has a meeting scheduled in May to share the commonalities between roundtables and review bold steps to take. He hopes the roundtables start movement in a positive direction.

Project Brainstorm

Next the attendees separated into two groups for Project Brainstorm. Group 1 started by elaborating on a lower quintile study. Mr. Shu explained the purpose of the study is to give numbers for economic mobility and standard of living. Karen Sorber also mentioned the quality of life is better in southwest Virginia and should be an important part of the sales pitch for the area. Ms. Sorber also elaborated on her idea of the Opportunity Zone process. She stated GO Virginia should do a study to fund small companies in southwest Virginia. It is a great opportunity to attract investment money into this area. An advocate for the Opportunity Zones is needed. This project could also benefit the supply chain. She discussed another idea for a talent share program with a mentoring aspect. She believes that during company downtime workers could be shared for talent or mentoring. It could be partially funded by grants.

Group 2 continued Mr. Wolford's earlier discussion. They discussed leadership training, individual and customized onsite training with succession planning. Becky O'Quinn pointed out there is a gap that's not meeting what manufacturers need, there is a disconnect between labor force and education.

Robyn Lee was asked to give a brief description of what GO Virginia is for those who are not clear. She stated it is the state's growth and opportunity fund. The goal is bringing in higher paying jobs, bringing in new money and out of state revenue. It also looks at workforce data, challenges and opportunities. GO Virginia is addressing workforce needs through working groups and looking for large projects that can benefit multiple localities.

Next Working Team Meeting

The next working team meeting will be held April 18th from 11:30-1:00.