

## GO Virginia Advanced Manufacturing Working Team Meeting

September 20th, 2018

Virginia Highlands Small Business Incubator Room 107

In attendance:

Becki Joyce

Lennie Gail Mitcham

Stephanie Surrect

Sam Wolford

Joe Gillespie

Marty Holliday

Te-Kai Shu

Mandy Barker

Melinda Leland (phone)

Robyn Lee (phone)

Andrew Barnes (phone)

Susan Copeland (phone)

Vicky Ratliff (phone)

John Kilgore (phone)

Robyn Lee began the meeting by giving an update of GO VA funded projects. The Ignite Internship program with United Way was funded for \$250,000. It is a two year project providing different activities for learning opportunities. Another project is the Southwest Virginia Hublink with Southwest Virginia Technology Council, which is a talent connection initiative that will help match employers with new graduates. GO VA Region One still has 1.4 million dollars available in funding and the next application deadline is November 5<sup>th</sup>.

Stephanie Surrect reported the CoE was awarded ARC money for the Heart Project, which ensures funding for technical assistance for coal impacted companies. Companies are developing new products with a focus on innovation. With the way CoEs are designed they want to set up an opportunity where people can submit an idea with the end goal being a manufacturing project. Part of this would include finding a support system to help move along and possibly help people set up their own business or become consultants. They are also looking at EDA funding. Sam Wolford believes the local industry is good at responding to demand but needs to get in front of demand. Ms. Surrect stated we need to create an ecosystem where people want to congregate around the area and act like an innovation accelerator. We can help support R&D companies. Becki Joyce stated this is similar to spiraling MakerSpace and similar to programs being discussed in other working groups.

Stephanie Surrect also reported that the CoE just finished its first Offender Transition Program pilot in Coeburn, where they did welding training and utilized partners to get jobs for two offenders who were AWS certified through the program. The City of Bristol has mentioned in the past doing a pilot of an intensive full time welding program with 4-6 individuals. Ms. Surrect

suggested Bristol do a regional initiative. Ms. Joyce pointed out the program is similar to drug court, and Bristol started piloting the program in August/September.

The group then began brainstorming project ideas.

It was reported that by 2020 there will be a shortage of airline pilots and workers. The Civil Air Patrol will need to provide Microsoft Flight simulators to schools.

There is a need for more manufacturers to become ISO9000 certified. It opens them up to more opportunities and DOD contracting. Mr. Wolford explained that small businesses need quality management systems to be ISO certified. They also need to focus on organizational structure, risk related to business and supply chain, and better documented quality process. Small businesses need a way to document which can be challenging for small companies who have a capacity, organizational, and knowledge challenge.

Marty Holliday added the problem in Southwest Virginia is wages and amenities, and businesses need to change their recruiting approach. She stated there needs to be discussions with management teams. As discussion about this need developed, it was proposed that there needs to be a study done on why this area can't attract skilled workers. The idea to hire a recruiter for SWVA to fill specialty positions was also discussed. Te-Kai Shu explained ways Strongwell is addressing the challenges they have faced. Over the course of two years they have had 1,000 applicants and couldn't fill fifteen entry level positions, which hurts the bottom line and profits. He explained that specialty jobs aren't as hard to fill. Strongwell hires a lot of interns from local colleges. He agrees of the need to change the manufacturing mindset, but for smaller companies it's hard to let employees go for training. Mr. Wolford added that some programs are using augmented reality and AI to train people so they don't lose workers to go train. He stated that to go through the ISO9000 process it is \$15,000-\$16,000 and \$9,000 to register. Companies have been utilizing coal funding when possible.

Joe Gillespie pointed out that drones started here and took off elsewhere. Ms. Surret believes we should find key areas that are coming up, like drones were, and offer training. It might be an easier task to grow our own and invest efforts in fast tracking students to higher level positions. Ms. Holliday pointed out we've ignored adult learners who currently work. It was discussed that we need to find ways to strengthen current companies to keep people here who are already invested here.

Mr. Wolford suggested a project that pulls ideas for projects and matches them with current businesses. If the proof of concept is real then a market could be found for it. The project would match existing businesses with existing real world opportunities. It would also have a Brain Trust, MakerSpace, and centers. Then there would be space for proof of concept and opportunity to make something producible. Mr. Shu suggested a study to collect patents in region which could lead to business to business collaborations. Ms. Holliday reminded the group that to receive GO VA funding, the project has to have two localities signed on and \$50,000 in local match.

Joe Gillespie discussed Economic Gardening. There are twenty across the state that take companies that have been in business at least five years with sales of \$1-99 million, help identify market trends and raise visibility. The local IDA has to nominate the company.

As the meeting drew to a close, Lennie Gail Mitcham stated that the next GO Virginia Region One Council Meeting would be held on October 2nd. She stated that the next Working Team Meeting will be November 8<sup>th</sup> at 1:30pm. The meeting was then adjourned.