

Minutes of the July 18, 2017, NCMAC Economic Development Committee Meeting

MEMBERS PRESENT

Joy Thrash, Acting CMTE Chair
Tony Stimatz, Commissioner (by phone)
Cresswell Elmore, Commissioner
Gary McKissock, Commissioner (by phone)
Frank Bottorff, Commissioner (by phone)
John Broome for Rep. John Bell (by phone)

ADDITIONAL ATTENDEES

Jamie Norment, ACT (by phone)
Hugh Overholt, ACT (by phone)
Stuart Ruffin, NCMF
Scott Dorney, NCMBC
Denny Lewis, NC Defense Technology Transition, NCMBC
Whitney Christensen, ACT
Nimasheena Burns, DMVA
Kelly Barretto, DMVA

WELCOME, CALL TO ORDER

Chair Joy Thrash called the meeting to order at 2:05pm, welcoming all to the meeting. Attendees introduced themselves. A quorum is present.

CONSENT AGENDA

Chair Thrash requested a motion to approve minutes from the April 18 2nd quarter meeting of the NCMAC Economic Development Committee. Commissioner McKissock made the motion, which was seconded by Commissioner Elmore and passed unanimously without further discussion.

OLD BUSINESS

No updates were given.

PRESENTATIONS

OEA Grant – Nimasheena Burns, grant project manager (budget officer/ communications for grant), briefed on the status of the grant implementation using several power point slides.

- Grant name is NC DIDI (North Carolina Defense Industry Diversity Initiative) – connecting the dots, expanding opportunities
- Purpose: find out where DoD contractors are in the state, where subcontractors are, and complete supply chain map.

- Supply Chain Study – contact prime contractors and go four levels down on subcontractor level.
 - Pilot Project – you will receive a copy of the application. The purpose is to identify companies that have experienced reduction in personnel and revenue resulting from a reduction in DoD spending. NC is studying ten companies. These companies will sit down with Industry Expansion Solutions and RTI for training in expanding domestic projects to lessen dependence on DoD. On receipt of applications, assessments will be done, 10 companies selected to work with for the next 6-8 months to shore up their infrastructure.
 - Gained communications partners; NC Women’s Business Center, NC Chamber of Commerce, US Chamber, NC Department of Commerce.
 - Ten counties are considered top ten DoD contractors, all of whom with their local EDA’s are on board with working with the project.
 - NC Vet Biz and Scott Dorney of NCMBC are on the Board. NCMBC has provided meeting space.
 - NCDBA, Hispanic Chamber of Commerce, NC Institute of Minority Economic Development and hopefully, NCMF will become partners.
- Surveys will be taken from mid-September through mid-March.
 - Website will go live in near term. www.ncdidi.com is expected website address. It will contain FAQ’s and application access.
 - Criteria has been established, e.g., companies that experience 10% revenue reduction, 5% personnel reduction because of DoD contract reduction, are encouraged to apply. Service providers, construction, manufacturing, biotech enterprises are included among company types.
 - 90% of training class costs are covered and most will take place at Industry Expansion Solutions.
 - Will attend industry events and have booths.
 - Contracted with SDG to do supply chain study, put on 10 town halls.
 - Strategic Implementation Plan to present to Governor’s Office at the conclusion of program.
 - Marketing and web assessment with GenEdge, RTI.
 - Ms. Burns will send presentation, application, facts sheet to attendees.

Commissioner Elmore asked if impacted consulting services would be eligible. Ms. Burns stated that this grant is for service providers, construction, manufacturing, biotech industries. Ms. Burns asked if anyone sees an opportunity to explain value proposition of the grant, to please let her know.

Ms. Thrash noted that it is good to see this come to fruition.

Manufacturing Corridor – Chair Thrash briefed this topic.

This is a corridor that runs from Winston-Salem are through Greensville, and down to Fayetteville. She provided a handout showing the sites. It includes areas that touch military areas. PTI Aerospace mega site in Greensboro may be included. When they market this, they may market to defense industries as well. Ms. Thrash will ask that they present when they are ready to unveil the initiative. The aerospace corridor runs from Global Trans Park to Goldsboro. Timothy Downs is a POC for additional information.

Workforce Initiatives – Acting Chair Thrash discussed a continuing need to connect people, citing two discussions she had with prospective employers wanting to hire exiting military. There are still prospective customers that prefer to engage.

Mr. Ruffin discussed the website for NC4ME and its point of contact James Simpson. They've announced 7 new hiring events spanning from Hickory to Jacksonville over the next 6 months. NC4ME can get employers base access for the events held on installations.

Acting Chair Thrash noted that employers may not have time to wait until a hiring event occurs. There was discussion about job fairs vs. hiring events. What happens when the employer cannot attend a hiring event, but does not get results simply using the web site?

Commissioner McKissock added that if you have a job opportunity in NC, you are making a mistake not to go to NC4ME. No one else tracks metrics of successful connection between employer and job seeker other than this program, to his knowledge.

Acting Chair Thrash said that people who have not had success finding qualified work tend to have had negative experiences with websites in putting hiring parameters in and receiving numerous responses that do not yield a match. She will be sure to have them sign up on NC4ME.

When he receives a call from a prospective employer, Mr. Dorney directs hiring businesses to NC4ME, requests the job description and sends the opportunity to transition points. There is a response approximately 60% of the time, half of the businesses don't follow through. Camp Lejeune and Fort Bragg have told Mr. Dorney that if they will send the employer their way, they will get them into a transition seminar taking place that week. Mr. Dorney knows of a retired gunnery sergeant who goes to the base to hire Marines for his company. He believes we need to build all of the resources in the State that we can, but on the other hand businesses need to be aggressive and take advantage of opportunities to get in front of folks on base. He added that Camp Lejeune and Fort Bragg are both doing a good job of leveraging the skills initiative and building the short-term skill gap programs. The Career Readiness Center is having a ribbon-cutting on Bragg, tomorrow. Many companies are investing in training programs on the bases. Medium-large size businesses should invest in some of these programs to fill the skills gap. Take advantage of NC4ME, NCWorks, the opportunities to get on base – the transition people are happy to have them come.

Ms. Burns added that the flow of job fairs do not lead to employment in most cases. She has been to veteran hiring fairs, military hiring fairs and has done direct hires in the past. The Company says they're excited about the job fair, take \$500 from Corporate Responsibility and they send an HR rep. in their minds they've checked off a box. The majority of what is accomplished at those events is B-to-B, people discussing how their businesses connect, and the HR rep does not have a job to offer. The person putting on the event stands to make \$50,000 by charging \$500 per booth to 100 vendors. She added when she was employed at USDA, the Agency asked what was needed to which the response was a person dedicated to veteran hiring. 2 people were hired to work strictly with transitioning military, attended VBAC's to seek out potential entrepreneurs, those in rural development, etc.

Mr. Dorney stressed that these are hiring events where a number of businesses say they will hire “x” number of people whose resumes are prescreened, are interviewed on the spot and people leave with a second interview or a job offer. He agrees that job fairs are different.

Commissioner Elmore said the Commission has long acknowledged that job fairs were not working, and that is why NC4ME was created. There was discussion about how to get exposure for NC4ME and differentiate to a prospective customer between a hiring event and a job fair. Mr. Ruffin stated this mechanism solves the challenges after seeing that the CEO-to-recruiter was not happening, and the job fairs were not being productive. We are training HR teams how find, assess, hire and support military talent, and then connecting them with qualified candidates, helping them review veteran resumes and putting them in front of people that have the skills and credentials. We are connecting with the student veterans’ associations, with the community colleges to pull talented and certified students into these hiring events. We are working to promote the program, and have just hired a marketing person to help raise the profile. There was a discussion about the success of the program. Commissioner Elmore has said that it is important to reinvigorate the discussion about NC4ME. Mr. Dorney added that as new Commissioners come aboard, it would be timely to have that discussion. Commissioner McKissock stressed that this is an economic development issue that ties in to getting people to remain in the State, and NC4ME is productive.

None of this was intended to disparage the program, Acting Chair Thrash added. We should continue to have this discussion – awareness is not reaching as many as it needs to reach.

NCMAC Top Priorities

Acting Chair Thrash reviewed the May 2016 list of top priorities. We will confirm that this is the most version of the list. We need to look at the priorities assigned to this Committee. Kelly will email the list to the Committee.

The two items on the Priorities list with this Committee in the lead were “Integrate transitioning military members, veterans, Guard and Reserve, and military dependents into the NC workforce” and “Encourage Defense and Homeland Security related economic development opportunities associated with logistics and supply chain support for military aircraft and aviation equipment.”

There was general discussion about updating these in the future and when new Commissioners are expected to be appointed. Kelly noted that Governor’s appointments expired on July 31, 2017, and that she was unaware of any new appointments.

New Business, Update & Roundtable

Scott Dorney of North Carolina Business Center (NCMBC) suggests the Commission reexamine the priorities. He would like to see bigger goals for the Commission, not projects. He proposed as examples: Grow the military economy in North Carolina by expanding government contracting by recruiting more defense contractors, and get transitioning military to grow our economy. Identify resources in the State that can support the Commission’s goals.

- Aerospace Supplier and Advanced Manufacturing Summit – August 15 and August 16 in Winston-Salem.

Minutes of the 3rd Quarter July 18 Meeting of the NCMAC Economic Development Committee Meeting

- Southeast Region Cybersecurity and Technology Symposium – August 24, Chapel Hill
- Federal Construction Infrastructure Environmental Summit – Wilmington, October
- 16th Annual NC Defense and Economic Development Trade Show-Fayetteville, August 7 (Sens. Burr & Tillis invited)
- NCMBC 2017 Mission Report published
- Seeking additional funding- SB130-not included in budget. We continue with normal funding and appreciate grant money provided through the MAC for the DefTech office. The discussion about whether the funds approved last August was present, and with a push from the Economic Development Committee the funds were received that will run the program from July to December of this year.
- DefTech Website-signed contract with DIT – they will build website and provide URL.

Denny Lewis briefed the Committee on the status of DefTech. DoD needed a way to quickly bring in science and technology for research and development. After speaking with DIUX, DefTech began last August setting this up. 38 B-to-B connections, 21 Business-to-Government meetings, 115 information papers and industry day notices. This goes outside normal federal acquisitions channels. We send out over 80 opportunities for companies in North Carolina to respond to. We are beginning to receive responses and feedback. He briefed on additional significant, ongoing actions.

- Cyber Day – August 24 – kick off for awareness campaign
- Training program for companies to address cyber needs– September, October
- Technologies Expo – October (anticipated)
- Invited to Army Capability Integration Center, Fort Eustace to address them about what DefTech is doing here on August 15

We have not tracked actual revenue from this, but DIUX has made 35 awards in the last twelve months, not a lot of awards, but in last 2 weeks, 12 opportunities have arisen. (See handout) Rapid Capabilities, Rapid Initiative, C-5 Technologies Consortium. We are trying to put together a database of companies – some do not want to register.

NCMBC will approach the Commission for short-term funding and the Legislature in the short session. Commissioner McKissock urged Mr. Dorney to put together an ask to the Commission.

No public comment from NC Military Foundation at this time.

Commissioner Elmore noted the status of the website needing attention.

Ms. Burns added that applications are out, the pilot begins on August 15 and run through March. She will send applications to the group. The survey begins September 15.

With no further comments or questions, following Commissioner Elmore's motion to adjourn, Acting Chair Thrash adjourned the meeting at 3:32pm.