

MAIN STREET MONTANA PROJECT

A BUSINESS PLAN *For Montana by Montanans*

Innovation and Technology KIN Meeting Minutes

December 8th, 2015

9:30AM – 1:30PM

Helena, MT

KIN Members Present

Jason Corbally
Don Beeman
Bob Clay
Lance Trebesh
Chris Dimrock
Curt Jacobson
Chad DeLong
Mike Knauf

On the phone

Stephan Stanton
Kevin Davis

Staff/ Public

Shannon O'Brien, Dean of Missoula College, University of Montana
Janelle Booth, Office of the Commissioner of Higher Education
Scott Whittenburg, Vice President for Research and Creative Scholarship, University of Montana
Davey Madison, Governor's Office of Economic Development
Jim Molloy, Governor's Office
Michaela Wolfinger, MT Department of Commerce
Mary Craigle, MT Department of Commerce
Tom Kaiserski, MT Department of Commerce
Janice Wannebo, MT Department of Commerce

Co-Chair s Don Beeman & Jason Corbally called the meeting to order followed by introductions.

Jim Molloy provided overview of what happens next with KINs recommendations

Questions that will have to be addressed:

What are the policy, fiscal, and budgetary implications?
What is the timeline?

KIN members asked for an update on the status of the Financial KIN. Mr. Molloy indicated the KIN will be starting soon and will be the avenue for the capital investment discussion. The Governor's office of Economic Development will take the lead and will work with Innovation and Technology and other KINs for which this was a key area of need.

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Mary Craige then provided the Highlights of Main Street Work-To-Date and mentioned planning was underway for a possible Small Business and Innovation Summit in July, 2016. The MSMP Highlight Power Point presentation is available on the Main Street MT website (mainstreetmontanaproject.com)

Dean Shannon O'Brien and Vice President Scott Whittenburg presented information to the KIN on educational efforts underway in Missoula related to high-tech and innovation. Dean O'Brien then led a discussion on MUS Operations related to Innovation & Technology Workforce Development

Key Points made by Dean O'Brien's:

- Missoula College committed to being more nimble to workforce needs.
- Missoula College is lead on TAACCT Grant through US department of Labor and US Department of Education to focus on healthcare workforce development and trade alignment.
- Industry engagement is critical to receiving and executing the TAACCT grant work and future grants.
- Initiative of the college is directing instructors how to engage employers for input to create educational programs and training that meets employer needs. This is leading to
- major changes based on thoughtful consideration .

KIN member asked, if an industry approached a college, what is the possibility to work together? Dean O'Brien discussed a number of examples already occurring where Missoula College was working with industry. She stressed that the solution is communication and in-depth discussions on the content and curriculum need (Dacum study).

KIN member asked about where bottlenecks exist and possible role of industries in recruiting and retaining students.

Scott Whittenburg, Vice-President for Research and Creative Scholarship and Dean of the Graduate School provided an outlined the following three initiatives:

- Montana Research & Economic Development (MREDI)- UM Missoula led projects: Tramatic Brain Injury, Water Quality Measuring and Wildfire Management with Unmanned Aerial Systems
- Developing a Business & Innovation Zone – support for creation of businesses and existing business
- Research/Workforce Development Ideas

Vice President Whittenburg mentioned academic and business coaches can potentially help.

KIN members mentioned the need for a tax break for businesses to take on paid internships. Mr. Molloy discussed the proposed tax credit legislation for apprenticeships that was defeated in the last legislative session.

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The group discussed the need for greater marketing of educational / career opportunities in High Tech to younger people and a need for more coordination between stakeholders.

Sources/Access to Capital

KIN members mentioned a lack of awareness by Montana's of investment opportunities. Some possible items discussed include:

- Angel list for Montana
- Tax incentive for investing in MT companies
- Marketing and funds Montana Board of Commercialization (public funding) SBIR grants
 - -KIN members wondered how many people have accessed the funding from these programs
- Fund a person at the state to market these programs
- Explore if there is a needed funding program that doesn't currently exist
 - -KIN members discussed where venture funding going and how to distinguish Montana's opportunities from other areas like Silicon Valley
- Need to resource entrepreneurs so they can be successful
 - Develop a mentoring program
- Reframe investing in high-tech to allow failure – just leads to new opportunities and better ideas next time.
- Bigger tax incentive for hiring higher wages, prevent offshoring

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Workforce

Curt Jacobson stated the current employment law for technology companies in MT impede getting needed works - high tech companies have unique needs.

Dean Shannon would be good to do similar case studies as was done for healthcare careers through the TAACCCT 4 grant. This study approach (Dacum Study <http://dacum.osu.edu/>) identifies what has worked and what has not with educational systems to train workers.

Davey Madison provided the KIN an overview of the Governor's Office of Economic Development (GOED) "Choose MT" campaign. Ms. Madison mentioned that ways to engage KIN members is to include their stories on the site. KIN members also discussed possibly giving each city their own page. <http://choosemontana.com/> and <http://business.mt.gov/>

KIN members talked the need to plan for growth and a need to improve the business climate and a need to decrease costs and increase availability of transportation and expand broadband coverage to improve the State's attractiveness.

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Finalize Recommendation Discussion and Prioritization

Recommendation: Cultivate needed workforce in MT with skills for high tech sector by:

- Increasing and strengthening MT high-tech industry partnership with education including:
 - Explore potential role of business in increasing MUS recruitment and retention.
 - Develop a program for businesses to engage within high schools and the Montana University System settings to build a workforce pipeline.
 - Develop best practice case study examples of educational and career training programs that have developed high-tech workers.
- Conduct job analysis (Dacum study) to identify needed curriculum /programs to determine the educational gaps for IT jobs and careers.
- Create an inventory of programs available for IT training (including funding training) and establish a platform to communicate the opportunities and process to keep the site updated.

Recommendation: Improve access and sources of capital for the high-tech industry and business innovation by:

- Identify the current incentives (include tax incentives) for investing in MT business and determine ways to enhance those incentives.
- Create a platform where in/out-of-state investors can learn of opportunities and resources including:
 - Angel fund opportunities
 - Public dollars that are available
 - Matchmaking opportunities
- Establish a public investment strategy that supplements private venture capital
- Increase funding of successful programs- Montana University System research, MBRCT, SBIR, WTG, BSTF.

Recommendation: Cultivate a high-tech business environment in Montana

- Foster entrepreneur efforts and resources.
- Develop incentives to create high paying jobs including a tax credit.
- Market Montana by enhancing state's efforts to grow/attract high tech talent/jobs/companies (GOED and DOC).
- Remove barriers to growth including:
 - Modifying restrictive employment laws
 - Providing available and sufficient broadband that is affordable (support KIN efforts)
 - Decreasing costs and increasing the availability of transportation (air, rail, intermodal)
- Sponsor a statewide plan for growth.

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Next Steps

- Curt Jacobson to set up Spark Room for KIN to review recommendations.
- Co-Chairs finalize recommendation and Governor's office will format
- Governor's office has set up meeting between Co-Chairs and Governor for January 25, 2016.