

PRESIDENT'S REPORT

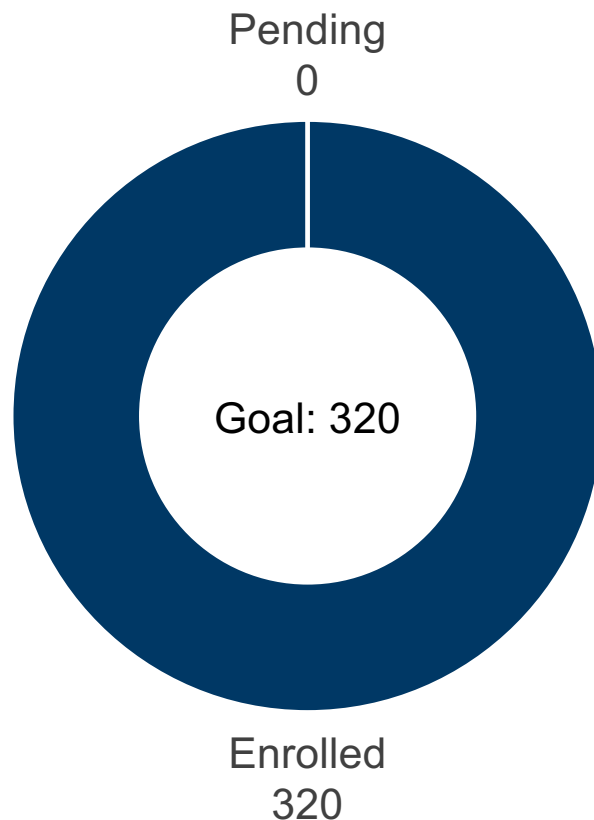
June 18, 2020

TOPICS FOR TODAY

- FY20 performance metrics to date: Trade and BI
- FY20 operational plan – progress dashboard
- Notable developments since last meeting
- Top priorities for the next few months
- FY20 in review

VEDP'S INTERNATIONAL TRADE DIVISION MET ITS FY20 GOAL OF ENROLLING 320 COMPANIES

Companies enrolled in trade programs
July 1, 2019 to June 9, 2020



FY19 Summary

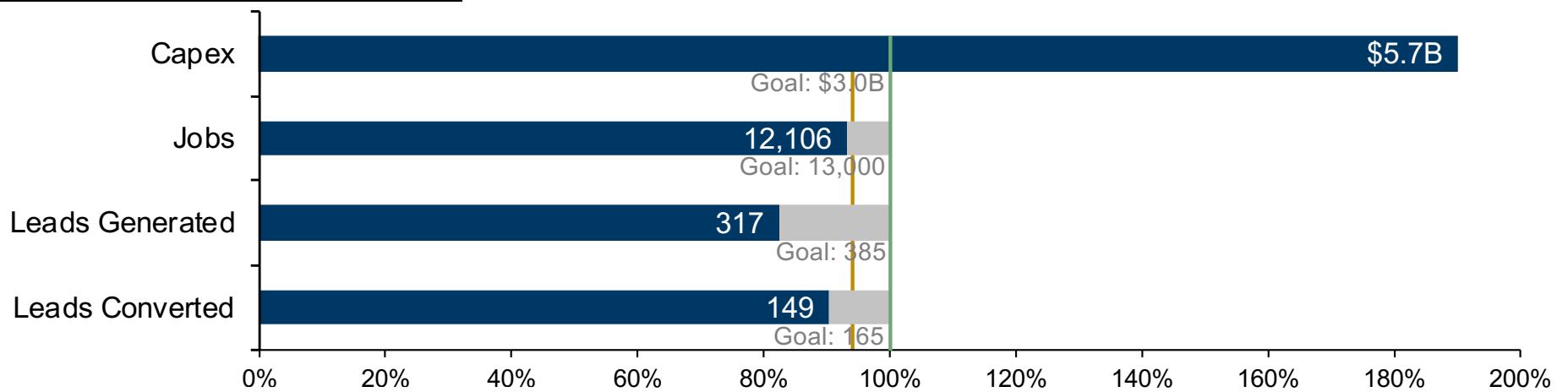
- In FY19, a total of 329 companies enrolled in international trade programs (103% of goal).
- These companies attributed \$793 million in international sales and 7,133 trade-supported jobs to VEDP's international trade programs.

Next Steps

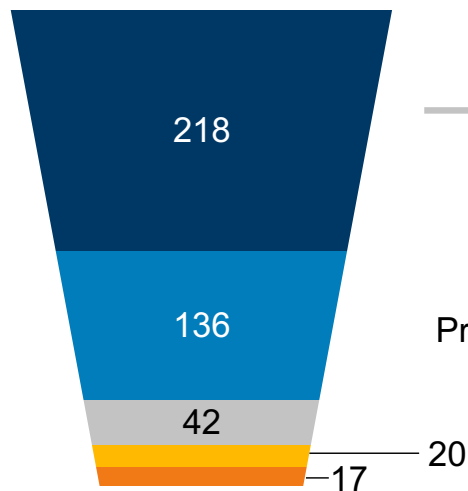
- International Trade is preparing to survey FY20 enrolled companies in July.
- The data from the annual survey will be available in September and will be used to update sales and job metrics for FY20.

PROGRESS AND PIPELINE FOR VEDP-ASSISTED PROJECT DECISIONS FY20 TO-DATE (7/1/19-6/10/20; 94.7% THROUGH FY20)

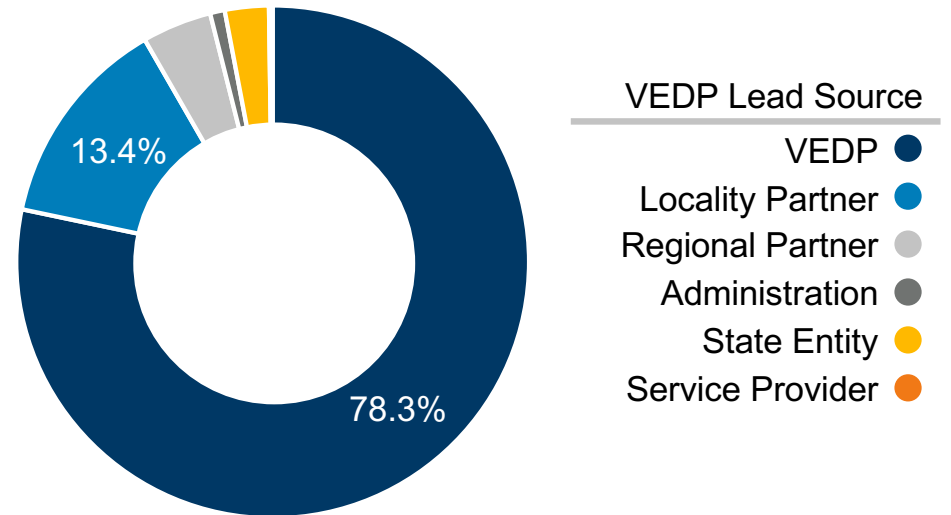
VEDP-Assisted Project Decisions N = 86








VEDP Open Pipeline









% of VEDP Leads for Open Pipeline



FY20 OPERATIONAL PLAN PROGRESS TRACKER: MAJOR INITIATIVES, REFLECTING COVID ADJUSTMENTS (1 OF 2)

Major initiative	Primary owner	Status (% complete)	Comments	Next steps
1. Embed continuously-refined value proposition in VEDP messaging, materials, and industry strategies	Nathalie Molliet-Ribet	 75%	Completed beta test on app for release in late June; inventoried existing materials to identify most effective and working with data viz expert to enhance	Launch app v1.0; finalize materials with BI and M&C; execution of graphics for all sectors and training to be pushed into July 2020
2. Modernize and redeploy Salesforce to mirror business processes and support decision making	Valenda Seaford	 95%	Completed soft launch of Salesforce improvements; delivered data entry guide; data cleanup in-progress	Conduct configuration review sessions; prepare for testing and mock data migration; perform data cleanup
3. Create a turnkey, customized workforce recruitment and training incentives program in collaboration with VCCS	Mike Grundmann	 95%	Developing and delivering services to first two projects (Morgan Olson & GSK); hiring on schedule	Continue developing and delivering services to first two projects; engage next project (Navien); continue building core suite of services
4. Develop a strategy to enhance Virginia's portfolio of development ready sites	David Devan	 85%	Currently supporting localities that are pursuing site development funding via GO Virginia program	VBRSP launch for next fiscal year currently on hold pending more clarity on the state fiscal situation
5. Identify opportunities to address talent shortages in high-demand occupations	Sean Brazier	 25%	Deprioritized during COVID-19 response effort; EC team is partnering with Talent Solutions staff to coordinate efforts	Continue slow-burn progress on building human capital supply model

FY20 OPERATIONAL PLAN PROGRESS TRACKER: MAJOR INITIATIVES, REFLECTING COVID ADJUSTMENTS (2 OF 2)

Major initiative	Primary owner	Status (% complete)	Comments	Next steps
6. Develop and execute an outreach strategy to assess local & regional competitiveness	Adam Watkins	 65%	Drafting narrative report of results and best practice information; adding section to address COVID-19 economic recovery efforts	Finish draft of narrative document; compile feedback and edits before release
7. Develop rural and small metro tech centers across Virginia	Laura Rodriguez	 45%	Working with research on decks (Phase 1); finalizing pitch deck (Phase 2); evaluating colocation data centers (Phase 3)	Deliver final decks to communities (Phase 1); send decks to EC lists (Phase 2); develop business case (Phase 3)
8. Launch Team Virginia, an executive-to-executive 501(c)(3) marketing organization	Lori Melancon	 55%	Defined overall structure; secured 7 funding commitments; drafted governing documents	On hold due to COVID 19
9. Develop a high-impact biennium budget package	Christy Morton	 100%	Funding increases for sites, VJIP, and custom workforce program all on hold pending revised revenue estimates	Pending determination of COVID-19 impacts on revenue, special session likely in summer to address budget
10. Implement a comprehensive talent management program	Jason El Koubi	 30%	Engaged consultant to conduct search for VP of HR position; added new HR support role	Conduct initial round of candidate interviews; secure exemption from hiring freeze
11. Refresh strategic plan per Virginia code	Sean Brazier	 50%	Syndicated draft set of initiatives with LEDOs at March VEDA conference; progress paused due to COVID-19	Rework strategic plan development timeline in near-future

NOTABLE DEVELOPMENTS SINCE OUR LAST BOARD MEETING

During the pandemic

- Proactive COVID-19 response in support of the Economic Crisis Strike Force led by Sec. Ball (e.g., economic impact analysis, PPE supply chain, economic relief and recovery planning), as well as post-COVID lead generation effort
- Dramatically increased frequency of communication with partners (e.g., weekly calls with regional EDO CEOs and weekly calls with VEDA membership)
- Very well received Q1 2020 issue of *Virginia Economic Review* (the food and beverage processing issue, “See what Virginia brings to the table”)
- Wide variety of significant economic development wins (e.g., Microsoft cloud center)
- Modeled multiple scenarios for FY21 in anticipation of state budget cuts, with priority on protecting our mission and avoiding harm to our staff
- Heavy site consultant outreach

Before the pandemic

- Successful legislative session, with several major priorities funded (funding to take the Virginia Talent Accelerator Program statewide; restoration of VJIP funding; large expansion of VBRSP; and full funding of the Tech Talent Investment Program)
- Encouraging partner survey results for 2019

TOP PRIORITIES THROUGH THROUGH EARLY FALL

- Pandemic relief and recovery planning in support of the Administration, with emphasis on four new/expanded growth opportunities
 - Reshoring of manufacturing and supply chains
 - Digital Virginia (data centers, software development, cloud computing)
 - Telework
 - Reskilling
- Restarting strategic planning process, including a special focus on potential new opportunities and challenges in the post-COVID context
- Rollout of local and regional competitiveness survey results
- Q2 issue of *Virginia Economic Review*, dozens of thought leaders writing on how the future of cities and towns, education and work, industry, small business, international trade, and economic development could change in the wake of COVID-19
- Aggressive cultivation of several high-impact economic development projects
- Collaboration with SCHEV on graduate outcomes survey, which will help to identify labor supply/demand gaps as well as underemployment predictors

FY20 IN REVIEW: BIG IMPACT DURING A CHALLENGING TIME PERIOD

- Collaborative leadership on COVID-19 response and economic recovery
- A solid year for business development – in spite of the pandemic
- Assembly of a world-class team for the Virginia Talent Accelerator Program
- Strong liftoff for the Tech Talent Investment Program
- Development of Virginia’s first comprehensive International Trade Strategic Plan
- Completion of novel, first-in-the-country site characterization initiative
- Clean bill of health on implementation of 2016 JLARC Recommendations
- Strong launch for Team Virginia
- Salesforce modernization
- Positive feedback from partners on collaboration and communication

THANK YOU