

PRESIDENT'S REPORT

June 2021

TOPICS FOR TODAY

FY21 performance metrics to date: Trade and BI

FY21 operational plan – progress dashboard

Notable developments since last meeting

Top priorities for the next few months

FY21 in review

VEDP'S INTERNATIONAL TRADE DIVISION MET ITS FY21 GOAL OF ENROLLING (AND SUPPORTING) 320 COMPANIES

Companies enrolled in trade programs July 1, 2020 to June 10, 2021¹



FY20 Summary

- In FY20, a total of 321 companies enrolled in international trade programs (100% of goal).
- These companies attributed \$553M in international sales and 4,977 trade-supported jobs to VEDP's international trade programs.

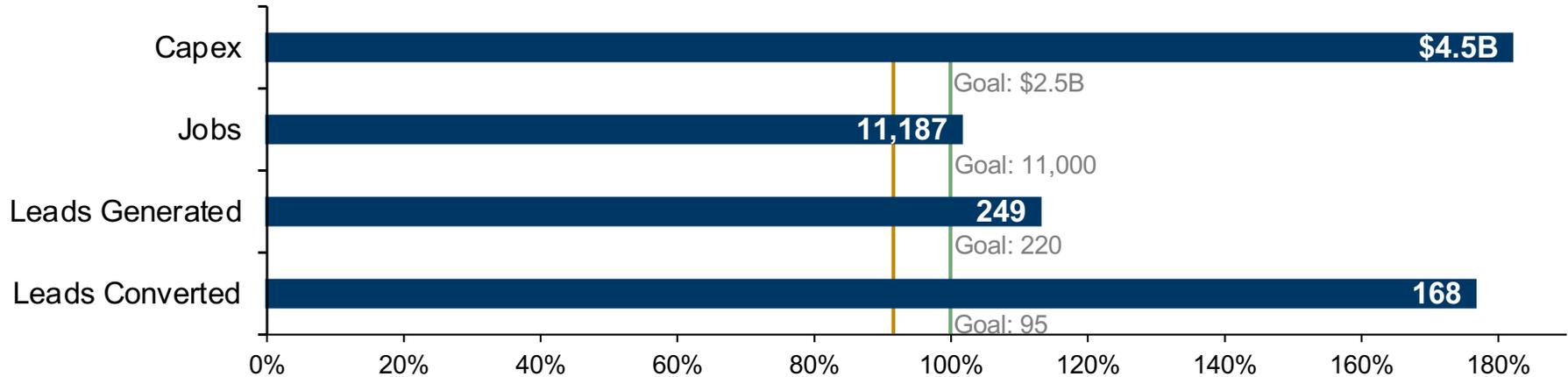
Next Steps

- International Trade is preparing to survey FY21 enrolled companies beginning in July.
- The data from the annual survey will be available in September and will be used to update sales and job metrics for FY21.

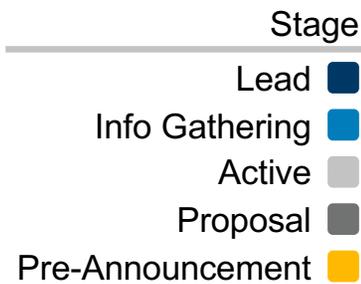
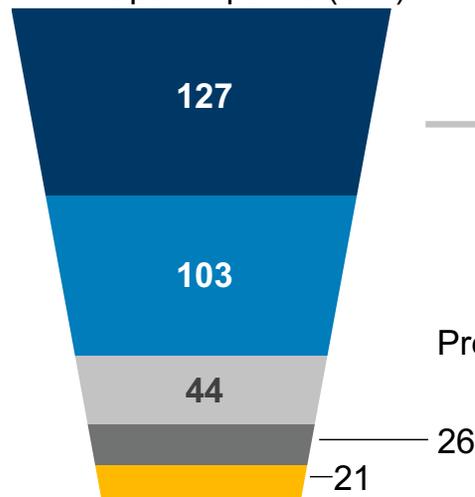
¹As of June 10, 2021, 326 companies have enrolled in trade programs and 6 companies have activities that are pending, resulting in a total of 332 companies that are likely to be served by June 30, 2021 (104% of goal).

PROGRESS AND PIPELINE FOR VEDP-ASSISTED PROJECT DECISIONS TO-DATE JULY 1, 2020 – JUNE 8, 2021 (93% THROUGH FY21)

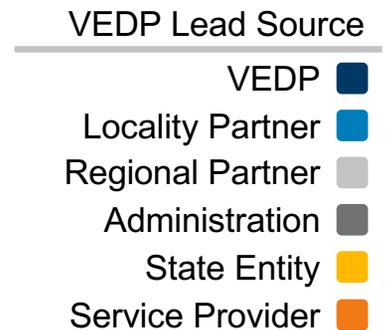
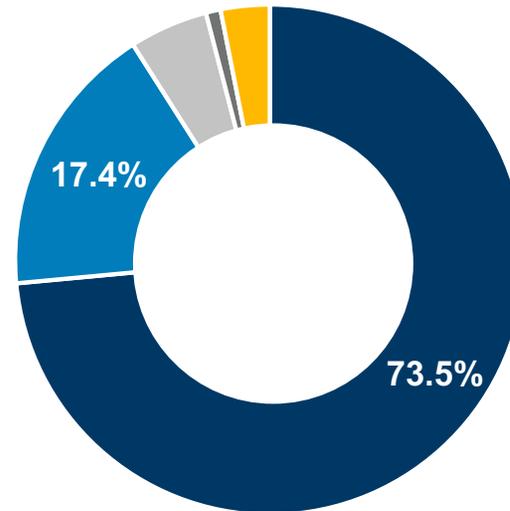
VEDP-Assisted Project Decisions N = 97



VEDP Open Pipeline (321)



% of VEDP Leads for Open Pipeline



FY21 OPERATIONAL PLAN PROGRESS TRACKER: MAJOR INITIATIVES (1 OF 2)

Major initiative	Primary owner	Status (% complete)	Comments	Next steps
1. Refresh FY19-23 Strategic Plan, including addressing post-COVID challenges and opportunities	David Devan	 99%	Completed plan and related performance metrics	Finalize and distribute public summary version of the plan
2. Finalize and execute strategies to capture post-COVID economic recovery and growth opportunities	David Devan	 50%	Kicked off consulting project funded by EDA grant, including REDOs presentation on June 8; 1-on-1 phone calls with REDOs to follow	Conduct preliminary analysis of high growth industries via consulting team: schedule calls between consultants and REDOs
3. Implement lead generation Initiatives targeting post-COVID growth industries	Vince Barnett	 90%	Identified and contacted more than 4,200 companies; identified \$37B in capital projects and 5K jobs	Finish delivering custom proposals to phase 2 companies (~400)
4. Embed continuously-refined value proposition in VEDP messaging and marketing materials	Lori Melançon + Nathalie Molliet-Ribet	 85%*	Paused in March due to major projects; currently in design phase for Advanced Materials and Automotive and narrative phase for Life Sciences and Wood Products industries	Continue work on Advanced Materials, Automotive, Life Sciences, and Wood Products industries
5. Leverage the Virginia Talent Accelerator Program to win post-COVID reshoring projects and refine program operations	Mike Grundmann	 90%	Considered 81 opportunities; prepared 46 proposals YTD; actively interviewing for open positions to scale up capacity to support eligible opportunities during remainder of FY21	Add capacity (hire) to support new projects (now 20 pre/announced); finalize Client Satisfaction Survey; complete design of workflow system; complete plan for project metric/cost tracking system

 On schedule to meet goals  Behind and/or facing challenge  May not meet goals

* Tracker incorporates Board-endorsed timeline adjustment discussed at its January 2021 meeting

FY21 OPERATIONAL PLAN PROGRESS TRACKER: MAJOR INITIATIVES (2 OF 2)

Major initiative	Primary owner	Status (% complete)	Comments	Next steps
6. Identify and invest in key talent shortages across high-demand occupations	Pam Harder	 75%	Secured positive outcome from VA GA session (full funding for new office); preparing for official launch this summer/early fall	Kick off formal planning process for new office; finalize position profile and launch national search for executive director/research team
7. Develop and execute an outreach strategy to assess local & regional competitiveness	Adam Watkins	 100%	Delivered report to LEDOs and REDOs; conducting engagement on the report	Plan and execute post roll-out engagement strategy
8. Cultivate rural and small metro tech centers across Virginia	Laura Rodriguez	 90%	Phase I company sent pre-approved proposal; Phase II firms in info gathering stage	Follow up with Phase I company on decision; provide info/site visit to Phase II companies
9. In partnership with the VA Chamber, complete launch of Team Virginia, an executive-to-executive 501(c)3 marketing organization	Lori Melançon	 90%	Continue outreach to prospect companies and begin programming	Complete planning for FY22 program of work
10. Implement a comprehensive talent management program	Sharon Grant	 25%	Conducting HR-related needs assessment	Gather additional input from staff and background materials; develop comprehensive HR & DEI plans
11. Support Virginia businesses through the international trade plan	Stephanie Agee	 90%	Implementing no-cost ITP initiatives w/ existing resources; other initiatives on hold due to lack of funding in FY21	Compile resources for importers; prepare for new / expanded programs with new funding secured for FY22

 On schedule to meet goals  Behind and/or facing challenge  May not meet goals

NOTABLE DEVELOPMENTS SINCE OUR LAST BOARD MEETING

- Continued acceleration of business development activity, with Virginia on the shortlist for several major projects, including multiple mega projects considering regions across Va.
- Cultivation of top site-selection consultants with Governor Northam and Secretary Ball
- Kickoff of post-COVID recovery opportunities project with BCG and REDOs
- Moving up in the national rankings
 - No. 1 in Top States for Higher Education by *SmartAsset* (up from no. 2 last year)
 - No. 13 in Best States for Business by *Chief Executive* (up from no. 16 last year)
- Briefings across Virginia on COVID-19 impacts on the economy and the recovery outlook
- Encouraging results: staff survey (e.g., improvement in staff satisfaction and pride)
- Encouraging results: partner survey (increase in overall satisfaction for level and quality of communication, collaboration, and coordination) – detailed analysis coming in July
- Completion of supply chain materials for value prop initiative
- Substantial progress on launch planning and talent recruitment for VOEE, including extensive engagement with Virginia stakeholders and national experts

TEAM VIRGINIA RECENTLY HELD ITS INAUGURAL BOARD MEETING AND NOW INCLUDES 22 LEADING ORGANIZATIONS ACROSS VA



TOP PRIORITIES FOR THE NEXT FEW MONTHS

- Aggressive cultivation of several high-impact economic development projects – current pipeline is strong with several wins expected early in FY22
- Planning and execution of expansion of international trade programs, Virginia Talent Accelerator Program, and Virginia Business Ready Sites Program, plus VOEE launch
- Q2 2021 issue of *Virginia Economic Review*, which will focus on International Trade
- Continued focus on value prop project – big push continuing through late CY2021 (next up: advanced materials, automotive and unmanned systems, and life sciences)
- Completion of national searches (including internal candidates) for VPs of Incentives and Economic Competitiveness, plus Executive Director and Research Director of VOEE
- Expansion of talent management program at VEDP (continuing through FY22)
- *Area Development* Consultants Forum in Richmond, including first formal tour of the Virginia Talent Accelerator Program Experience Center with consultants
- Special session planning, with emphasis on potential site development opportunity
- Completion of return-to-office plans in coordination with VTC

FY21 IN REVIEW: BIG IMPACT DURING A CHALLENGING TIME PERIOD

- Collaborative leadership on COVID-19 response and economic recovery
- Another solid year for business development – in spite of the pandemic
- First-rate deliverables for value prop initiative (e.g., F&B, tech, HQs, supply chain)
- Full launch of Local and Regional Competitiveness Initiative (LRCI)
- Strong takeoff for Team Virginia, with two significant early wins
- World-class execution (and rankings) for the Virginia Talent Accelerator Program
- Substantial progress on diversity, equity, and inclusion (DEI) efforts
- Administration and General Assembly support to launch VOEE at VEDP, as well as expand the Virginia Talent Accelerator Program, International Trade, and VBRSP
- Positive reviews from internal and external performance audits
- Positive feedback from partners on collaboration and communication

THANK YOU