

PRESIDENT'S REPORT

October 2021

TOPICS FOR TODAY

Performance metrics to date: FY21 final numbers and FY22 to date

FY22 operational plan – progress dashboard on major initiatives

Notable developments since last meeting

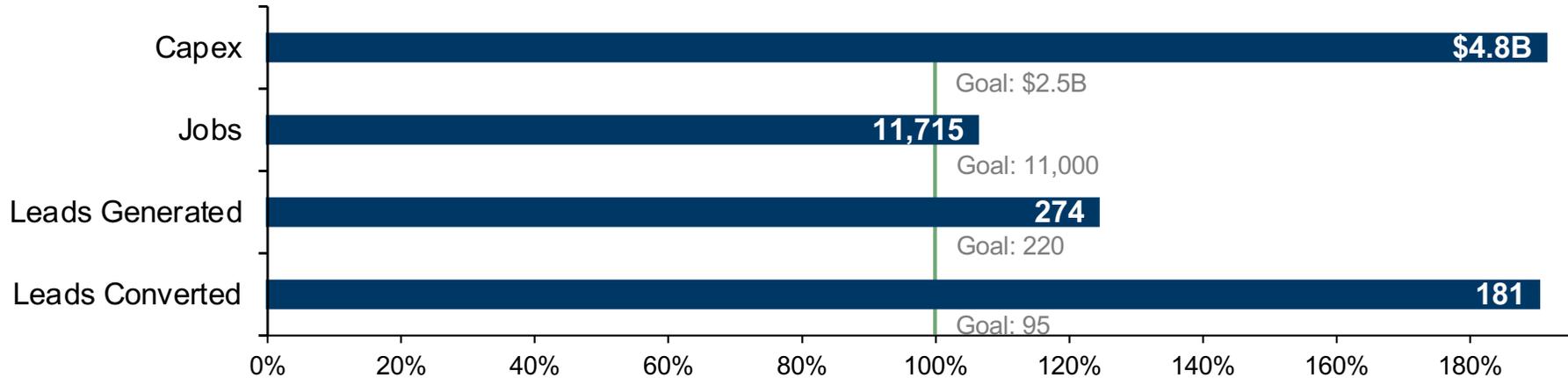
Top priorities for the next few months

COMPANIES ENROLLED (103% OF GOAL) ATTRIBUTED \$670 MILLION IN EXPORT SALES TO VEDP TRADE PROGRAMS IN 2021

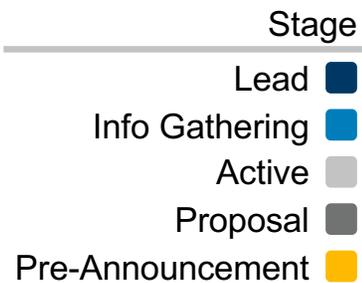
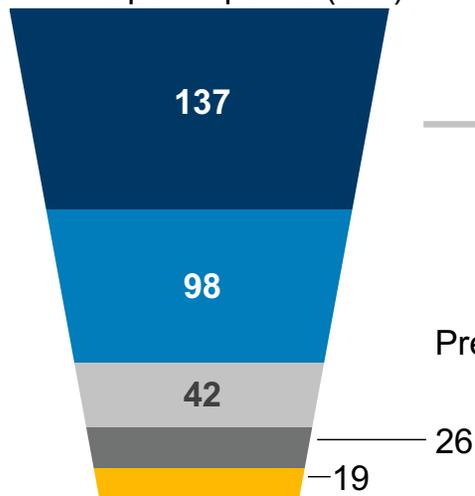
Performance Metric	Description	Goal	Actual
Companies enrolled in programs	Number of companies enrolled in VEDP Trade programs	320	330
International sales	<u>Existing</u> international sales attributed to VEDP Trade programs	n/a	\$377M
	<u>New or increased</u> international sales attributed to VEDP Trade programs	n/a	\$293M
	<u>Total</u> international sales attributed to VEDP Trade programs	\$600M	\$670M
Trade-supported jobs	Trade-supported jobs from companies enrolled in VEDP Trade programs	5,400	6,030

PROGRESS AND PIPELINE FOR VEDP-ASSISTED PROJECT DECISIONS FINAL RESULTS FOR FULL-YEAR FY21

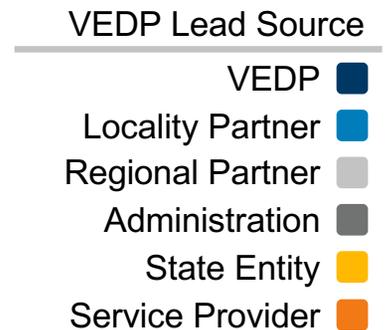
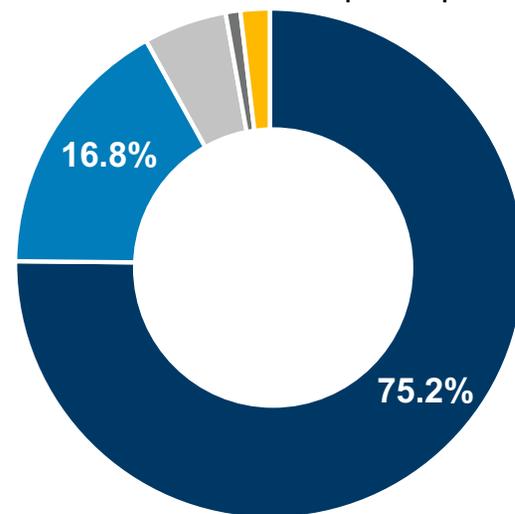
VEDP-Assisted Project Decisions N = 105



VEDP Open Pipeline (322)

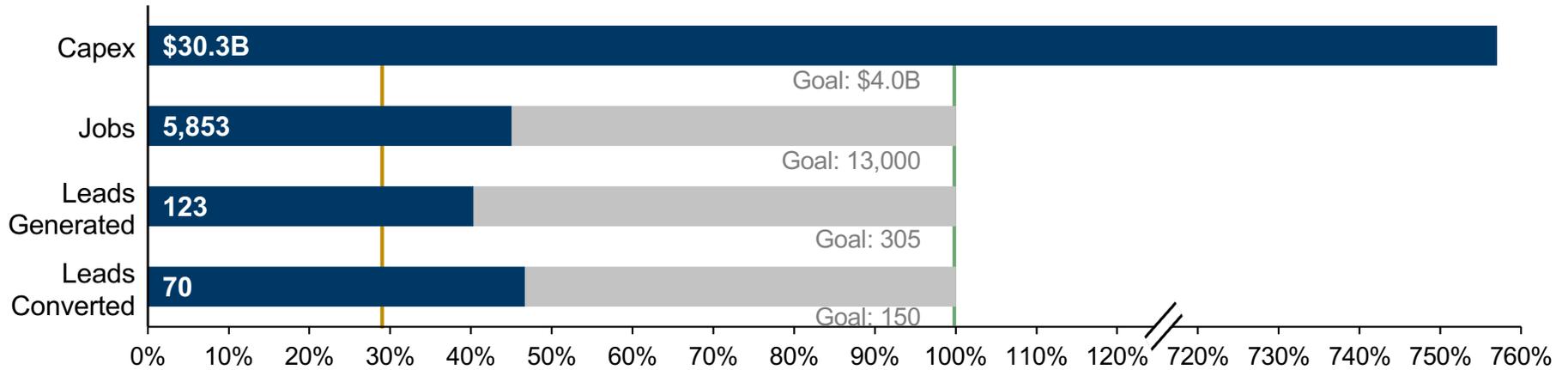


% of VEDP Leads for Open Pipeline

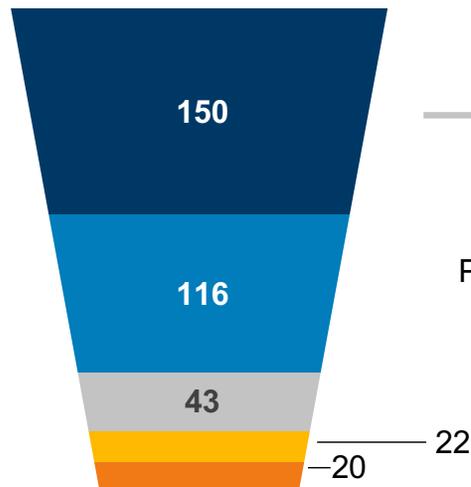


PROGRESS AND PIPELINE FOR VEDP-ASSISTED PROJECT DECISIONS TO-DATE JULY 1, 2021 – OCTOBER 12, 2021 (29.5% THROUGH FY22)

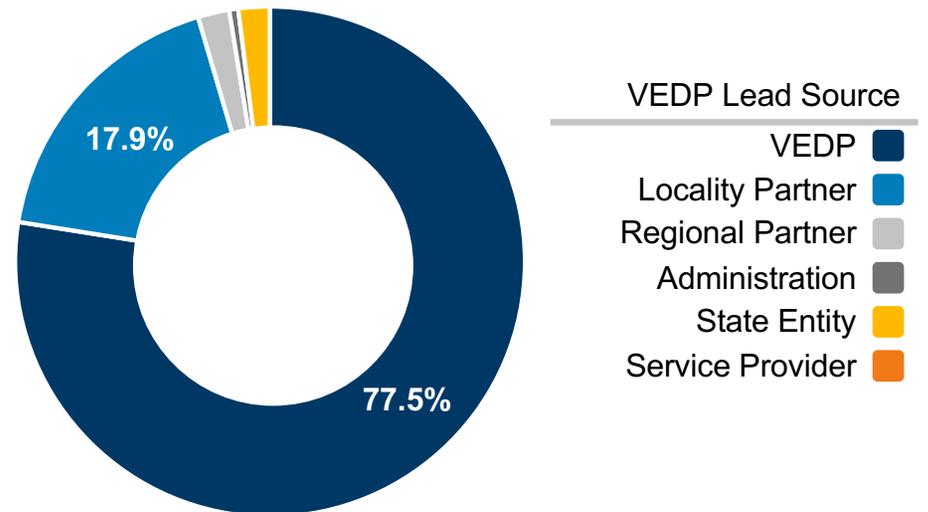
VEDP-Assisted Project Decisions N = 30



VEDP Open Pipeline (351)



% of VEDP Leads for Open Pipeline



FY22 OPERATIONAL PLAN PROGRESS TRACKER: MAJOR INITIATIVES (1 OF 2)

	Major initiative	Primary owner	Status (% complete)	Comments	Next steps
1.	Develop a playbook to become one of America's top states for tech sector growth in both large and small regions	Rodriguez	 10%	Built IT ecosystems draft	Continue work to complete all inputs and recommendations
2.	Build out the best customized workforce recruitment & training incentive program in the U.S.	Grundmann	 25%	Considered 25 new opportunities, prepared 16 proposals, hired 2 YTD	Hire second Director of Customized Training
3.	Expand the Virginia Business Ready Sites Program with a strategic approach and statewide participation	Devan	 40%	Opened applications for FY22 VBRSP; received 23 pre-applications to-date, totaling \$33M in funding	Receive full applications by October 15 and conduct virtual site tours
4.	Expand exports and imports through implementation of high priority initiatives in the International Trade Plan	Agee	 40%	Implemented no-cost ITP initiatives w/ existing resources; hired for newly funded positions; hosted supply chain program kick-off	Begin recruiting and collecting applications for first cohort of supply chain program companies; launch and promote export readiness assessment on exportvirginia.org
5.	Establish, design, and launch the newly created Virginia Office of Education Economics within VEDP	McKay	 20%	Finalized ED / RD hires; in final stages of successful first deliverable (Virginia High Demand Occupations)	Develop year 1 strategic roadmap and grant strategy
6.	Develop and implement a comprehensive HR talent management strategy	Grant	 35%	Continued prioritization process from needs assessment	Continue development of HR Strategy
7.	Complete launch and implementation of Team Virginia to enhance consultant and executive perceptions of Virginia	Melançon	 10%	Provided sites briefings for members and orientation for new members	Plan for Board meeting in November; continue planning for consultant visits re: Top State for Talent to begin Spring 2022

FY22 OPERATIONAL PLAN PROGRESS TRACKER: MAJOR INITIATIVES (2 OF 2)

	Major initiative	Primary owner	Status (% complete)	Comments	Next steps
8.	Complete value prop materials for all target sectors and facilitate ongoing updates	Melançon; Molliet-Ribet	 40%	Continued development of Offshore Wind, BPO, and Aerospace materials	Finalize first round of value prop and develop process for maintaining information and updating materials
9.	Build processes and capabilities needed to effectively and efficiently produce holistic project responses	Barnett; Molliet-Ribet	 15%	Held kick-off meeting and assigned workgroup owners; scheduled workgroup meetings for deeper dives	Schedule feedback sessions with additional consultants and companies; discuss guidelines for appropriate deliverables
10.	Further develop and execute strategies to capture post-COVID economic recovery and growth opportunities	Devan	 50%	Developed stakeholder-specific content from BCG deliverables; evaluated next steps to implement strategies	Align on approach for implementing BCG recommendations; continue to engage with partners to leverage BCG insights in support of EDA funding
11.	Implement a best-in-class BRE program, including clear protocols, high productivity, and reporting of insights	Barnett	 15%	Completed 160+ HVT client calls; continued Salesforce enhancement process for record keeping	Continue updating Salesforce dashboards and developing enhanced reports; identify stakeholders to review & recommend protocol enhancements
12.	Develop a comprehensive strategy for supporting local and regional EDOs	Watkins; Morton	 10%	Working with partners to support EDA grant applications	Support EDA application development efforts
13.	Improve data management and capabilities to expand utilization across VEDP to better guide activities	Barnett; Melançon;	 10%	Continued cross-divisional assessment to identify current processes, resources and utilization	Confirm existing processes and conduct needs assessment
14.	Fully leverage IT platforms to enhance organizational effectiveness	Mehfoud	 15%	Continued analysis of the matrix for services, features, and costs of Cloud platforms and applications	Hold internal planning session with IT to formulate implementation strategy and timeline; brief ELT on approach

NOTABLE DEVELOPMENTS SINCE OUR LAST BOARD MEETING

- Continued acceleration of major business development activity (project announcements and cultivation of opportunities in the pipeline)
- Moving up (and staying on top) in the national rankings
 - CNBC named Virginia America’s Top State for Business (2nd time in a row)
 - The Talent Accelerator Program moved up one spot to #2 in *Business Facilities* ranking of the best custom workforce training programs in the U.S.
 - The Talent Accelerator Program moved up two spots to #2 on *Area Development* list of best state workforce development programs in the U.S.
- Tour of Virginia Talent Accelerator Program Experience Center with top site consultants
- Q3 2021 issue of *Virginia Economic Review* (Cybersecurity in Virginia) mailed in September, and substantial website enhancements completed (VEDP.org)
- VOEE leadership team now in place (Executive Director and Research Director)
- Permanent VPs of the Economic Competitiveness and Incentives divisions announced following national searches – both internal promotions
- Completion of post-COVID growth strategies work with BCG and partners
- Launch of next round of VBRSP applications

TOP PRIORITIES FOR THE NEXT FEW MONTHS

- Aggressive cultivation of several high-impact economic development projects
- Completion of next round of VBRSP grants
- Development of the Q4 2021 issue of *Virginia Economic Review* which will focus on industries of the future
- Planning for 2022 General Assembly session, as well as transition activities with the Governor-elect and their team
- Expansion of Virginia Talent Accelerator Program to complete rapidly growing set of projects across the Commonwealth
- Implementation of additional elements of the International Trade Strategic Plan
- Continued focus on industry sector value proposition project – on track to be completed by the end of the calendar year
- Annual VEDP Staff and CEO Sync Ups
- Completion of high demand occupations work by VOEE
- Development of return-to-office plans in collaboration with Virginia Tourism Commission (VTC), with hybrid format

THANK YOU