

Board of Trustees Meeting

Patrick Henry Building
Richmond, VA

Friday, June 16, 2023
11:00 AM – 2:30 PM

Members Present

Mr. Doug Frost
Mr. Rick Gagliano
Mr. Jeffrey Jaycox (virtual)
Dr. Shannon Kennedy
Mr. Gabriel Lamois
Mr. Alexander Marcus
Ms. Lisa Papini
Mr. Wesley Reid
Hon. G. Bryan Slater
Ms. Karen Sorber
Dr. Wayne Stilwell (virtual)
Dr. Jerry Wallace
Dr. Kristen Westover

Representative Present

Mr. Conway Haskins (Dr. Bob Stolle)
Ms. Flora Hezel (AG)
Mr. Andrew Nobleman (NIST) (Virtual)

Members Absent

Dr. Makola Abdullah
Mr. Matthew Clarke
Mr. Marc Foglia
Hon. Aimee Guidera (Rep)
Mr. Abdelkarim Moharram
Dr. Bob Stolle (Rep)
Dr. Eileen Van Aken
Mr. Kaushik Vashee

Representative Absent

Others Present: Ms. Brenda Bowman, Mr. Tony Cerilli, Mr. Josh Dawson, Ms. Cindy DeOms, Mr. Bill Donohue, Mr. Teddy Martin, Mr. Scott Schein, Ms. Valerie Simpson, and Mr. Dean Young.

~Call to Order~

Mr. Lamois welcomed everyone and thanked them for attending. Next Mr. Lamois asked Ms. Simpson to call the roll to establish a quorum. Ms. Simpson verified that there was a quorum, so Mr. Lamois called the meeting to order at 11:15 A.M.

Approval of Minutes~

Mr. Lamois asked the board members to review the minutes from the March 2023 meeting. Mr. Lamois next asked for any additions, corrections, changes, or discussion to the minutes. Mr. Lamois then called for a motion to accept the minutes. Mr. Gagliano made a motion to accept the minutes. The Honorable Slater properly seconded the motion, and the minutes were approved.

~FY23/24 Meeting Dates~

Next, Ms. Simpson informed the board of the FY23/24 meeting dates:

- September 15
- December 1
- March 15
- June 21

Ms. Simpson concluded by stating that the venues are “to be determined.”

~Retooling VA Manufacturing Update~

Mr. Gagliano began by stating that the purpose is to connect Virginia suppliers, buyers, and other organizations, and provide direct services to Virginia companies to help them improve process, sustainability, supply chain, and technology for critical Virginia industries.

Next, Mr. Gagliano presented *Data from GENEDGE Surveys; surveys begin one yr. after project completion.

**Metric is for New or Retained revenue.

Metric	Goal (5 Yr)	Thru Q4† 2022	Q1 2023	Status	Cumulative*
# of jobs created/filled*	500	240	6	Achieved	246
# of existing jobs retained*		424	10		434
# of existing businesses expanded*		4	2	Report	6
# of businesses served	50	56	--	Achieved	56
revenues increased**		\$14,939,355	\$1,575,000	On-track	\$16,514,355
operations costs reduced*		\$2,910,400	\$100,000	Report	\$3,010,400
# new products completed/ released to production		12	--	Report	12

Mr. Gagliano concluded by giving highlights from Phase One, and Phase Two of the program.

~Financial Update, FY24 Plan (10 months)~

Mr. Dawson began by reviewing Operating Metrics FY23. He stated that Gross bookings were \$4,846,317. Gross billings totaled \$5,052,450. Net billings were \$1,662,270. The backlog was \$1,823,045 and net cash position was \$793,311.

Mr. Dawson next reviewed the Billing by program YTD FY23 (10 months), Bookings by Program YTD FY 23 (10 months) and the Proposal Pipeline YTD FY23 (10 months). He stated that the number of proposals was ninety-seven, the number of contracts booked was 93, and the number of new manufacturers booked was 8.

Mr. Dawson concluded by reviewing the results of Operations cash basis for FY 2023 YTD (10 months).

~ FY 24 Operations Plan Highlights~

Mr. Donohue began by reviewing Core Services with the board members. He informed them that fee-based services increased to core Markets of twenty plus employee businesses and expanded internal capacity in operations to improve response time and margins. Piloting the use of retainer services to lower transaction costs for customers, reduce complexity of sales, and enable local management to authorize work easier. The large commitment to the Emerging business segment is being driven by MEP funds.

Mr. Donohue concluded by informing the board members that the business plan is executable this year and has been built assuming no un-booked programs for the budget, acting as reserves. However, the management team's recent risk analysis identified key risk areas that need immediate attention for FY24:

- Improve IMPACT metrics: total and new clients served, retained sales, and consistently exceeding seven out of ten clients responding to the survey
- Hiring key roles to enable growth and achieve revenue targets
- Talent retention and succession is an ongoing risk for MEP centers across the network, including GENEDGE
- Developing and implementing a cohesive marketing plan to drive growth
- Addressing the needs of small businesses with from five to twenty employees
- Prospect and customer in-person engagement to improve number, mix and quality of engagements.

~Operations Execution Review~

Mr. Young began by presenting the Marketing Strategy in the FY24 Operations Plan. He stated that Emerging businesses have different needs and require different approaches to better serve them.

He stated that to help with the different needs of businesses, GENEDGE Alliance was launched on January 6, 2023. In order to be a part of the Alliance, you have to become a member. The advantages of being a member gives access to the following:

- First access to Manufacturing NOW in Virginia Podcast episodes
- Free access to CONNEX Virginia Marketplace & National CONNEX subscription access*
- Access to discounted Online / On-Demand training (i.e. SME-Tooling U)*
- Relevant Manufacturing Content & Resources
- NIST-MEP Blog RSS Feed
- Industry relevant content and research
- Program information
- Ability to comment on resource content
- Access to GENEDE partners and in-house expertise*
- Coaching Services*
- And More to Come!

Mr. Young concluded by stating that members must be acting on behalf of or as an employee of a manufacturing supply chain company located in Virginia. Initial membership is limited to members of these companies. Members agree to provide valid and current company and contact information as required to validate their clients status, provide offered services, and generate the member account. The member acknowledges that the GENEDGE Alliance is an officially supported program and agrees to cooperate in surveys and other evaluation methods required by our sponsors for reporting to evaluate the program's effectiveness.

Mr. Cerilli began by presenting Service Development and Delivery to the board stating that Third-party Resources will support service/offering delivery. He informed the board that Operations is responsible for service/offering delivery. Functional business zones – Growth, Operations, and Support are each managed by a Business Services Director. Third party delivery resources are used to supplement GENEDGE's internal delivery capacity or expertise. Business Services Directors are responsible for finding, vetting, and onboarding of new third parties, the oversight of new third-party delivery, and the performance tracking of all third parties. The HR Director supports third-party administrative onboarding.

Next Mr. Cerilli spoke on Product and Service Offering Management. The service offering management process includes steps to identify needs of stakeholders, clients, and regions within Virginia, as well as external to VA through the NIST MEP National Network.

Mr. Cerilli concluded by reviewing the Learning Management System (LMS) that focuses on providing Web-Based / Computer Based Training (CBT) to leverage meaningful knowledge transfer with minimal traditional requirements. Initial offers focus on coursework from Tooling U-SME's industry-driven catalog of nearly 600 courses. Additionally, GENEDGE content is being converted to engaging online self-paced courses that are of interest to small to medium manufacturers. These include short courses on Lean, Quality Systems, Financial Statements, and Strategy Development, allowing particularly emerging businesses a low cost, low time requirement way to learn fundamentals and allowing the Center builds a relationship with the manufacturer while generating IMPACT as a result of the training.

Mr. Schein began by reviewing the VEDP Supply Chain Optimization Program (SCOP) stating that twenty manufacturing companies were accepted into the Supply Chain Optimization Program by VEDP in Fall 2022 which offers \$10,000 in reimbursable expenses for each participant to address supply chain challenges. GENEDGE partners with VEDP to execute the SCOP by providing detailed gap assessments for each participating firm, relevant supply chain content for the annual kickoff in January, and customized project resources to address specific supply chain needs for each company. GENEDGE expects to execute 10-12 projects by December 2023, mostly with new clients, on a range of supply chain challenges including forecasting, source development, logistics, and process improvement, total program value of \$100-150k including kickoff and assessment support. GENEDGE has agreed to continue partnering with VEDP for the 2023-24 program which was approved for another cohort of twenty firms. Successful projects provide case studies and opportunities for Regional Growth Managers to evaluate additional business needs.

Next Mr. Schein reviewed the Mobile Technology Insertion Program (MTIP). He stated that MTIP presents a unique approach to support small and mid-sized businesses to adopt advanced manufacturing and automation technologies in order to provide higher returns on investment, recapitalize the industrial base, improve production skills and retention, and address workforce shortages. Funding challenges will be discussed next meeting.

Mr. Schein concluded by reviewing the Medical Manufacturer MedAccred Accreditation Pathway (MedMMAP) stating that MedMMAP was awarded to GENEDGE through a \$600,000 NIST RCAP grant in August 2020 to strengthen the global competitiveness of U.S. medical device manufacturers and train Subject Matter Experts (SME) across the Manufacturing Extension Partnership (MEP) network.

Next, Mr. Lamois called for a motion to accept the FY24 Operations Plan. Dr. Kennedy made a motion to accept the minutes. Mr. Gagliano properly seconded the motion, and the Operations Plan was accepted.

Public Comment and Adjournment~

Mr. Lamois called for other items and public comment. There being none, Mr. Lamois and Mr. Donohue thanked everyone for attending. Mr. Lamois called for a motion to adjourn. Mr. Gagliano made a motion to end the meeting. Mr. Marcus properly seconded the motion, and the meeting was adjourned.