Facilitator: Abby Straus, Maverick & Boutique
Notes: Zing

1. **What’s going on? What are the national, global and local trends that are having an impact on innovation in Vermont?**

   - Low top line profitable growth
   - Open source collaborative tools; niche value end products.
   - World economy; younger demographic rise of entrepreneur. Yet WSJ citing risk adverse youth.
   - Steady loss of younger workforce
   - Internet capability of networking;
   - Social media
   - New type of investment - sources of money - crowd funding
   - Most companies have no system for innovation and don’t know how to truly innovate
   - Manufacturing coming back - on shoring
   - Ability to crowd source
   - Race to the bottom - competition on pricing; internet culture - changes methods of collaboration, purchasing, etc.;
   - Moocs
   - Technology, social networking, business plan contests, access to capital for start ups, business incubator facility or online, how to locate individual innovators/inventors, alternative sources of funding,
   - Trend toward knowing where your food and other goods coming from
   - Opportunities for Green Technologies and innovations in water sustainability.
   - Nimbyism at local level inhibits investment. 3-D Printing
   - Long term decline in mfg has had a negative impact on R&D and innovation
   - Socially responsible - can make profit too
   - Broadband Expansion
   - Slightly more optimism on national economy leading to investment, education of younger entrepreneurs,
   - Technology
   - Vermont creates spaces to meet and "bump" into people that you can innovate with.
   - Educational attainment
   - Instant info from internet/social media,
   - Distributed Workforce
   - Declining mfg profitability reduces investment in advanced technology to keep them competitive
   - Climate Change and opportunity to innovate - food, energy
   - Create spaces where businesses don't silo but instead interact
   - Business requirement to get more results with less cash
   - Need to break down silos
   - Working in networks not in isolation
   - Need for clean, affordable solutions
   - Renewable energy/ r=innovation, cluster of technology creating buzz
Growth of independent workforce (1 or two people)
Locavore and more food safety are growing.
Locavore trend and statewide marketing
Baby boomers - aging VT and pop decline
Aging population creating a bottleneck in business transition (acquisition and intergenerational transfer of business)
Better food...richer experiences
Telecommuting on the rise. Need to find ways to support these folks - provide a water cooler!
Gen Y different values
Increase in broadband
Groups that develop environmental and green innovation, renewables
Push for Regionalism
Capturing leadership in different censoring and monitoring activity
Status quo of business no longer good enough to ensure future success
Too much big business....a move to smaller
Climate change - new migration within workforce?
Rising obesity and diabetes

Themes and further conversation: technology, new ways to finance growth, collaboration/connectedness, MOOCs/education, new kinds of education, food, local as a concept, the rise of social in addition to tech/clustering, social media and how it affects business and bus. networking, youth entrepreneurism, global warming/climate change, change in the nature of workforce, VT scale being small lets us be an innovator and build a brand, affordable energy, more innovation, decline in profitability/manufacturing/top line...decline in personal profitability tied to cost of living, global economy: profit isn't in competing for bottom, but competing for creative edge at the top, increasing cost of higher ed. and student debt...the ability to take on jobs they want, risk aversion...increasing renewable energy and innovation clusters, evidence-based business management/big data analytics. Where is permitting and issue? Manufacturing, real estate development, and any time you're building a new building, energy investment. Low impact isn't an issue. We've been having the same conversation for 20 years. We want to maintain our natural resources and we want development.

2. INNOVATION: Where do we stand? What’s working really well that we want to KEEP? What’s getting in the way that we want to ABANDON? What could we REINVENT that, if we did, would make a really make a big difference?
KEEP: Ability to collaborate, service providers working together, culture that supports entrepreneurs,
KEEP: Accessibility to Resources/Govt
KEEP: beautiful natural resource economy
KEEP: community based approach, community mindedness,
KEEP: Diversity as an asset
KEEP: Do Gooders
KEEP: -do gooders, community-mindedness
KEEP: Easy access to state gov't and leg
KEEP: focus on VT as great place to live - protect environment
KEEP: innovation engineering as proven system
KEEP: natural qualities of VT
KEEP: Nimbleness and Forward Looking Programs
KEEP: Strong sense of community
KEEP: Strong business assistance VTP, VMEC, VtSBDC, VCET etc.
KEEP: strong sense of community and egalitarian culture
KEEP: trend toward more networking across the state
KEEP: Value Added Agriculture
KEEP: momentum with building a healthy food system
KEEP: Vermont is a great place to live work and play
KEEP: VT spirit
KEEP: Innovation Engineering Management System - increase speed/decrease risk of innovation

ABANDON: bunker mentality - against newcomers, new ideas
ABANDON: panel discussion where speakers have only 10 minutes
ABANDON: notion of wealth creation being a negative
ABANDON: personal responsibility is a bad thing
ABANDON: programs without quantifiable metrics
ABANDON: We have to do it ourselves
ABANDON: Bunker mentality
ABANDON: the peanut butter funding, spread to so many, all are impoverished
ABANDON: Barriers to contracting in the knowledge economy e.g. benefits payments
ABANDON: the idea that competiveness is bad.

REINVENT: way we think about infrastructure
REINVENT: housing options
REINVENT: permitting process
REINVENT: private investment options
REINVENT: Registered Apprenticeship programs
REINVENT: State Economic Development Dept so it picks winners and losers
REINVENT: strategic economic development goals
REINVENT: the economic support structure to better marry with the future needs. We are stuck in the past.
REINVENT: How do you do innovation in an UP 2%, DOWN 2% economic environment
REINVENT: More exporting; more value-added manufacturing
REINVENT: More innovation in manufacturing - what, how, customers, unique offerings
REINVENT: Strengthen alignment of Innovation with passions of quality of life
REINVENT: educational system
REINVENT: goals (i.e. what are the RIGHT targets that we should strive for; what works for Vermont)
REINVENT: higher education and the way it connects with businesses
REINVENT: how funders connect to help businesses grow
REINVENT: Legislative attitudes toward economic development and innovation
REINVENT: perception in VT about the great qualities of manufacturing
REINVENT: Permit system
REINVENT: Priority focus on manufacturing as economic driver
REINVENT: retool incentives (i.e., STEM incentives) to get more for the money
REINVENT: size and process of gov’t
REINVENT: way we integrate innovation and entrepreneur in k-16
RETOOL: Existing incentives/disincentives for start-ups
RETOOL: Permitting process related to small business, SEC could be simpler
RETOOL: Statewide access to first stage funding, VIF model
RETOOL: assistance with learning how to fail
RETOOL: myth that failure is a bad thing; increase support for turnaround, financial restructure, etc.

RETOOL: Risk level- it’s ok to fail in pursuit of success/innovation

Themes/conversation: Reinvent how we measure success from one year goals to longer term measures, measuring what’s going on, creating good metrics for what’s happening, we need to stop treating all businesses equally, strategy for supporting businesses that will be the best fit and allocation of resources based on the strategic vision, re. #9 retool incentives to put money where it should go, strategic alignment for support infrastructure, failing/innovating/learning tied to long term vision of what success looks like, failing. State has no business deciding who wins and who loses, funding...smallest portion in state goes to economic development, need for culture change: towards notion of innovation and entrepreneurship...wealth creation (evil capitalism).

Start in educational system, we all start off with lemonade stands...then what happens. Interesting that health care hasn’t come up...it’s a big issue, control at local level from a permitting standpoint (planners don’t like innovation or biz development). Wal-Mart battles of 15 years ago. Risk taking is very important...failure is part of innovation...needs to be part of our culture. Permitting process...innovation

Priorities for what we support as a state. If you don’t believe in wealth creation...the opposite is that everything is equal. Adaptive planning is the entrepreneurial way to go. We can use the CEDS process to accomplish this.

Reinvent the way we think about how we address issues. It may not be education/permitting per se. Maybe we should look more individually in terms of who has the skills. How do we innovate around the process for this?

What "sayings" can we gather and talk about and collaborate on. Being forward thinking about the way we work together. How do we take a stand and still be inclusive enough to encompass enough of the stakeholder interests? How do we turn what we do into value added product? We really need the vision of what the brand looks like in order to come up with innovative projects.

Theme from panelists: having a common point person...coordination of resources to get results, navigating systems, making sense of complexity.

How can we overcome the image that we’re difficult to do business with? Do we really have a big problem with a 4% unemployment rate? Alchemist, creative quality stuff across food and tech arenas. What is the destiny of rural VT...scale issue, driving the fulfillment of VT’s brand? What levers can we pull quickly to get VT back on track with appropriate growth? Manufacturing drives a huge percentage of innovation.

We need a balanced approach. Look at market opportunities. For companies already in business in order to develop new markets.

2. Who cares about Innovation? Who are all the stakeholders who are about Jobs in Vermont? How might we involve them, get them excited and serve their interests and the greater public good, all at the same time?

• ACCD
• All schools
• All summit attendees
• An
• Any one that wants their kids to stay in Vt
• Anybody in financial sector
• Bankers
• Better ability to communicate services/resources available
• Better marketing of existing or future resources
• Business owners
• Celebrate innovators successes
• Chambers
• College students expect career 85% - shift in last decade from education for its own sake
• Colleges
• Communities
• Communities
• Community groups as a way to get more stakeholders involved
• Consumers want new things
• Cross functional strategy for providers
• Education at all levels
• Employers
•Entrepreneurs
• Entrepreneurs (people with ideas)
• Entrepreneurs, small business owner, small business recruitment prospect, educational hierarchy
• Equity and risk investors; key stakeholders identified in CEDS projects
• Existing businesses
• Families
• Financial community: bankers, investors (institution and individual), VC, angels, friends and family, community associations e.g. finance corps
• Folks transitioning from prison system
• Funders; capital providers
• Future kids, Lars, Vermont digital economy project
• Government orgs
• Healthcare providers
• I do
• In a way everybody cares - maybe can’t articulate
• Investors

Breakout Session 6: Innovation
- It would be easier say who is not a stakeholder in this...
- Jr high, high school, k-12
- Make it fun!
- Middle aged people...past early fears but before late years conservation
- More aggressive use of CDBG funding towards innovation
- More networking
- Multi levels of education facilitators
- Nek eb5
- Not earned income people
- Outcome goals from this conference
- People who want to move to Vermont
- People with a stake in the status quo: people who are afraid we're "going to be like NJ"
- Permitting leaders
- Private business, workers, funders (VEDA, etc.)
- Proactive business owners
- Provide case studies about how innovation is critical to their success
- Provide experiences to students
- RDCs
- Reach out to all - check our misperceptions about who would not be a stakeholder
- Retirees
- SBDC, VMEC, VCET, colleges/universities
- Show bankers the value their clients get from being innovative - 2x greater profitability than other business strategies
- Show stakeholder that it’s important for survival
- Start up weekends
- UVM
- Teach entrepreneurship
- Teach innovation
- Technicians
- The environment
- The kids...future workers
- The unemployed and underemployed if worked with
- Tourists
- Utilities
- VBSR
- Vt bus round table
- Vt tech council
- Who’s not a stakeholder?
- Youth

**Summary of innovation ideas for presentation:**
- Summation: Fix/update/modify permitting processes at local and state level to assist responsible business development
- The interdependence and interrelationships of the agriculture. Culture around Hardwick. The role of gov't to assist with marketing.
- We need to articulate our strengths
- Attract and grow businesses that match the VT brand. Highlight green, small scale, neighborly business. Organic VT job creation. Create an inspiring brand to attract the business that can thrive in our vision for a sustainable Vermont.
- Rebrand - - - culture of entrepreneurship - - - independent culture/independent small businesses
- Identify and remove friction to starting and expanding business in Vermont
- Grow existing businesses with a strategy and system for innovation.
- Gov't assists with market study adjacent market opportunities
- Encourage entrepreneurship and innovation by established VT business sectors
- Build around the area of clusters
- Develop an "innovation benchmarking" process e.g. way to measure progress toward goals
- Access to capital for entrepreneurs
- Cultivate an operational framework that achieves alignment and flexibility simultaneously
- Single point of contact for business to navigate onerous system
- Leverage goodwill of VT brand by breaking down images of business unfriendly perception.