

Governor's Council on Youth Entrepreneurship

Tuesday, March 22, 2016

-Secretary Jones opened the meeting by welcoming the Council members and reviewing the actions of the General Assembly session. He and Ryan O'Toole discussed HB 1230, one of the Governor's bills that was derived from the recommendations of the Council, to support student IP rights. Sec. Jones also discussed budget funding for economic development.

-Anna James, the Governor's Policy Director, joined the meeting to also discuss the actions of the 2016 session. She reviewed actions by the Assembly to raise the cap on the R&D tax credit, and increased money in the budget for research, particularly around bioscience and cybersecurity. She did share that the Governor's proposal to raise the cap on the angel investor tax credit failed due to resistance in the Assembly.

-Anna also discussed Go Virginia, and its potential impacts on entrepreneurship programs across the state. She walked through the two-step process of implementing the GO Virginia plan. First, a statewide board will be formed that will define distinct regions of the state, and will appoint individuals to those regional boards. Then those regional boards will be able to apply for GO grants to support regional economic activities, of which entrepreneurship should be central.

-Finally, she discussed budget funds to allow universities to attract high-profile researchers, better compete for grants, and to obtain equipment and other materials they need to accelerate research. She also discussed the Governor's K – 12 efforts, especially around high school redesign to give high school students more opportunities to be creative in their schedules and curriculum, and to give them more opportunities for industry connections.

-Governor McAuliffe next visited the meeting to thank the members for their service and to answer their questions. He discussed the need for our economy to become more innovative and accepting of risk-taking. He shared that it is critical for entrepreneurs to have the tools they need to become successful, and start building companies early in life, even if it means they fail. He shared that he wants to do everything possible to keep startups and new companies here in Virginia, and to attract more capital into the state. He also discussed his views on computer science and coding education in K – 12, and the need to create a K – 12 system that will allow more students the creativity to flourish and be innovative.

-Following those visits, Sec. Jones then asked the working groups to debrief their efforts since the last meeting in December. The groups presented as follows:

Marketing:

-They are working to define youth entrepreneurship, which in turn connects to the importance of the entrepreneurial mindset; risk-taking, creative thinking, etc. Defining what entrepreneurship

is can expose more young people to that kind of thinking early in their lives. As you define what it is, you make more of them; create the conditions for them to think entrepreneurially.

-They are working to develop strategies to better brand Virginia as a creative place and a good place for people to come to learn/innovate/build/create.

-Lastly they are working to tell story of the universities, especially through asset mapping , to show what they have to offer. On this front they are trying to figure out what asset mapping UBED (and other groups) have already done so as to coordinate, and not duplicate, efforts.

Capacity building:

-They are crowdsourcing their ideas through a google doc on K – 12/higher ed curriculum.

-They are focusing on curriculum, academic credit, community resources, connecting K – 12 to business, mentoring, encourage commercialization of IP/research; venture funding success improved by accelerators; using startups to test business practices; and youth entrepreneurs in residence in K – 12 schools.

-They would like to explore maker fairs (at K – 12 level, the need is more to allow space for invention, building, creation, especially when imbedded in the curriculum; this creates a pipeline for more specialization in higher ed); it's a way of thinking.

-They are also investigating Connecticut's innovation invention convention (helping students with inventions get provisional patents); the overall goal is to support making and building/experiential learning. Ultimately the end product is to determine how can you take students from just inventing to finding mentors, expanding on their ideas, etc

-They are also investigating ways to get HS students participating in accelerators, w/community colleges.

-They will be collecting/summarizing assets in K – 12 and beyond. (Ryan will help them connect with Steve Staples/DOE).

Climate:

-They are developing a checklist to tell (young) entrepreneurs how to start a business (ultimately they will create a guide that can help improve/replace Business One Stop, and contribute to asset mapping).

-taxes

-legal (incorporation)→is there a new way for businesses to incorporate just beyond a sole proprietorship but people don't have to exactly decide their share of ownerships, as they move towards C corps?

→secondary market for loans to entrepreneurs? (David Touve discussed this)

-resources (\$, grants)

-benefits (insurance, etc)

-permits/credentials related to specific industries (if you're starting a culinary business, you would need credentials for food preparation, etc)

-They are working to better understand barriers (consider barriers with localities as well): equity ownership for your LLC/working with classmates; commercial ownership on state grounds (with this, the university might have a contract with other vendor and may not want entrepreneur competing).

-They are investigating freedom of motion for old (medical, etc) equipment at universities.

-In Maryland, startup shell (old machinery, etc) has pioneered this practice; old products in 'surplus' at a university could be distributed to students more easily so they can build products. Universities might either throw the equipment away, sell it at an auction, etc (need to allow students to bid).

-Gov Deals might be a resource

-Their goal is that their work could ultimately be able to show "here's what it does look like to start a business and here's what it could look like as an entrepreneur"

Events:

-Jay discussed the statewide entrepreneurship bootcamps for high school students coming this summer

-David Miller discussed GMU's startup competition on April 15 at 1776 Crystal City. It has grown to where now four deans are hosting it (engineering, liberal arts, college of science, business); gaming/arts; mini-maker fair.

-Daniel Willson discussed the Tom Tom Founders Festival in Charlottesville (week of April 11 – 17), especially Friday April 15 and Saturday April 16 as good days to go for the Founders Summit, the E-Cup, and other pitch competitions.

-Angeline discussed the May 20 opening of the Idea Center in Martinsville, which will facilitate an accelerator and awards for startup Martinsville with entrepreneurship bootcamps.