

**Advanced Manufacturing Collaborative  
Business Environment Working Group**

November 16, 2:00 - 3:00pm  
Zoom Conference

**Minutes**

**Attendees:**

Julie Chen, UMASS Lowell  
Arlene Parquette, UMASS Lowell  
Emily Reichert, Greentown Labs  
Brenna Schneider, 99 Degrees  
Paul Fortier, MassMEP  
Amy Barad, Mass Clean Energy

**Absent:**

Mark Fuller, MassDevelopment  
John Killam, MassMEP  
Marie O'Malley, Medtronic  
John Regan, AIM

**Staff:**

Farhad Vazehgoo, MassTech Collaborative  
Cassidy Ferguson, MassTech Collaborative  
Meghan Abella-Bowen, MassTech Collaborative  
Helena Fruscio-Altsman, MA EOHED  
Scott Martin – MA, EOHED

**Welcome and Introduction: Farhad Vazehgoo**

Farhad Vazehgoo welcomed attendees & a roll call was taken. Farhad welcomed new member, Brenna Schneider to the working group.

**Approval of minutes: Farhad Vazehgoo & Julie Chen**

A motion to approve the September minutes was made and minutes were approved unanimously.

**Discussion on current Business Opportunities & Challenges**

- Framework for a Business Environment/Competitiveness study:
  - Identify Massachusetts manufacturing statistics and conduct SWOT analysis.
  - Description of landscape & ecosystem for manufacturing
  - What are the barriers and specific challenges?
  - Comparison and benchmark against MA regions as well as other states.
- There is overlap with New York, especially with startups. We need to be aware of their strategies, for example, New York currently provide resources to start-ups. We can learn from what their interventions are.
- There are also difference among sectors. We might want to highlight sectors in MA that are a priority. Within a given sector, competition may exist in different states than for manufacturing as a whole.

- What are the benefits to those competitors (states/regions)? Puerto Rico is also really big, especially for PPE. Scale in US is mainly labor cost driven. For Tech, competition is in NY, SF, or LA. Compared to government contracting & PPE which are labor cost driven.
- New Jersey is a competitor with MA. New Jersey defines their verticals as pharmaceuticals, food, and medical. They focus on how to make NJ the best for those companies. Certain regulations, labor skills, etc. are needed in those industries. Sector piece is really important. MA has defense & medical.
- We don't want to become too narrow. One of MA's advantages is crossover tech. Robotics to life sciences or energy & environment.

MassMEP conducted a business environment survey during this past summer, 54 companies responded:

- Access to Technology, availability of capital to fund innovation and expansion, and direct connections to universities and innovators were scored favorable.
- Access to talent and workforce continue to be a concern. COVID could have impacted this response.

#### **Takeaways:**

- Supply Chain – Has consistently been a challenge for SMEs, Startups, and OEMs.
- Disruption of the supply chain due to pandemic has exposed the challenges many manufacturers, especially SMEs face.
- What do we know about those supply chains – were they domestic or overseas, and how were they impacted.
- SME's complained it's not just about the supply chain, it's that the supply chain is competitive because OEMs have more buying power, so they lost out first.
- Energy incentive financing programs.
- CAPEX spending continues to be biggest hurdle. CAPEX programs with long term credit (favorable terms) are needed
- Existing state funded equipment at universities is mostly testing, prototyping type equipment and is shared to help companies accelerate their progress. Unsure how to scale program or make it sustainable.

Overall, the bent of the study will be focused on competitiveness, but we can't overlook talent and training, but competitiveness will be the focus.

#### **Next Steps**

- Continue to build case for a RFP
- Review & agree on the RFP elements
- Build framework for initial RFP.

#### **Materials and Exhibits Used at this meeting:**

- Draft Minutes – September 24, 2020 Business Environment meeting minutes
- Presentation: Business Environment Working Group, November 16, 2020