

## **Business Environment Working Group**

July 13, 3:00 - 4:00pm

Zoom Conference

### **Draft Minutes**

**In attendance:** Julie Chen, Arlene Parquette, Brad MacDougall, Faith Kelnhofer (Greentown Labs), Farhad Vazehgoo, Helena Fruscio-Altman, Scott Martin, and Meghan Abella-Bowen.

#### **Welcome and Introduction:**

Farhad welcomed the attendees.

#### **Review the focus of the working group:**

The group reviewed the original goals established in January and discussed how the COVID emergency and the creation of the M-ERT might impact the work of the group moving forward.

#### **Previous Goals:**

- **Benchmark** the state against other states and regions
  - o Advantages and disadvantages
  - o Energy benchmarking
- **Energy**
  - o Formalize relationships with working group and utilities
  - o P2P learning Opps
  - o Engage state entities to create connections
- **Infrastructure**
  - o Benchmark what other states have done
  - o Creating designations for MFG friendly zones or communities

#### **Use lessons learned from the M-ERT process to support the group's agenda:**

1. **Phase One:** The immediate emergency response and re-opening of manufacturing. (Complete)
2. **Phase Two:** Implementing best practices for returning manufacturers to work, and remain resilient if/when virus returns. (Completed)
3. **Phase Three:** Focus on role as a connector and pivot back to original actions as work returns to new "normal".
  - Explore how we connect new startup's ideas with manufacturers.
  - Connecting companies capabilities to one-another (A Company Exchange).

#### **Define the group's goals/outcomes**

The following questions were posed to the group:

- What is the state's role in this new environment?

- Do we go back to normal or take a more hands-on approach in guiding and helping business?
- What does the business environment need?
- How do we support them?
- What should be the focus of this group?

All of the same issues identified in January still exist, energy, land, and workforce are expensive.

Go back to original goal 3 – Infrastructure: The cost of doing business. How do we make ourselves competitive? How do we promote locations like Western MA, Lowell, New Bedford, etc.?

Can the state do something where we pool the smaller material requests into a larger request to get better materials prices?

Pitch the ease of doing business in MA. Bring your HQ or R&D Center here. Make your supply chain more sophisticated.

Industry 4.0 – Having manufacturers more networked.

- Hybrid mfg. – SMEs don't have a desire for automation. How can we help them in their competitiveness?
- Smaller MFRs in the US Defense ecosystem – reluctant to invest in automation because Defense will pay higher rates, but this makes them stuck when it comes to pivoting as they can't compete with the rates that non-defense contractors are producing.
- Where is the barrier? Why aren't they upgrading? Possible reasons, I am a lean mfg and don't have time for that, too small (size), or lack the expertise.

Conversation focused on reshoring in the US and MA.

- OEM and supply chain.
- Areas we have expertise – Biotech.
- Defense sector – trying to innovate.

What does an intervention like this look like?

OEMs put your supply chains in MA.