



July 23, 2015 Minutes

Present: John Albertson, Amber Alexander, Terry Allebaugh, Christopher Bailey, Fred Baker, Michael Bishop, Chris Brandenburg, Mary Catherine Brown, Erica Buckley, Dean Bundschu, Saima Cardwell, Crawford Carter, Ray Cerda, Jennifer Chauncey, Will Collins, Trina Condit, Dr. Eric Crawford, Karen Creech, Scott Daugherty, Hank Debnam, Donna Dennis, Paul Dillon, Scott Dorney, Lynn Douthout, Khan Eakin, Dr. Wei Li Fang, Reginna Ford, Bryan Fox, Katie Gales, Dee Gardner, Tony Gonzalez, Bob Goodale, Craig Gorham, James Gorham, Martha Gorham, Paul Gradus, Diana Graham, COL Miriam Grey, Jim Griffith, Kathryn Hare, Samuel Hargrove, Judy Harmon, Angela Harper, Troy Hershberger, Phil Hewett, Katrina Holley, Joshua Holley, Sarah Hussey, Charlene Irvin, Jane Ivey, Dianne Jinwright, Briles Johnson, Terri Kane, Chris Keon, Dr. Becky Lane, Melvin Langston, Wilson Lester, Dennis Lewis, Brad Lienhart, Neely Mahoney, Jerome Malloy, Jennifer Maloy, Robert Marrin, Kenneth Martinson, Mark Mills, Brenda Monforti, Patrick Murtha, Patrick Natole, Jessica Nelson, Stephanie Nissen, Scott Panagrosso, Ilario Pantano, Jordan Ramirez, Cheryl Rawls, Jean Reaves, Andrew Robbins, Elijah Sacra, CJ Scarlet, Austen Shearer, Betty Jo Sheppard, Robert Sherwood, Sunita Shouse, Anne Showalter, Jeff Smith, Tony Sowards, Richard Stancil, Flo Stein, Annette Stevenson, Samuel Strickland, Erika Sullivan, Doug Taggart, Mark Teachey, Melissa Rivera-Terrill, Eric Truesdale, Kathleen Vollandt, Ben Wagoner, Dr. Joe Wescott, GEN Cornell Wilson, and Kyle Winder

Mr. Pantano welcomed everyone to the meeting. He announced that folks could add their events to website, <http://NC4VETS.com>. He also mentioned a homework assignment—to provide feedback to improve the GWG and to make future programming requests.

Tomorrow Mr. Collins will read the Governor's Proclamation to honor the living memories of the 30th Infantry Division of the Army National Guard. It was nicknamed Old Hickory after President Andrew Jackson and was considered to be the best infantry division in Europe during World War II.

GEN Wilson noted that the General Assembly passed legislation enabling Veterans with a military police background to bypass some of the training due to their experience and work for law enforcement. He also noted that fishing licenses had been extended by a year.

Mr. Collins introduced each of the speakers. Scott Daugherty serves as the Assistant Vice Chancellor for Economic Development at North Carolina State University and the State Director of the Small Business and Technology Development Center (SBTDC), which is a business and technology extension program of The University of North Carolina System. He has a strong commitment to serving Veterans, with 14% of his clients being Veterans. He offers business startup assistance resources for transitioning military and for current Veterans and has a contract with the Small Business Association to run Boots2Business on military bases. Boots2Business is a 2-day program, with good quality instructors that is accompanied by an online 8-week program. He noted that NC has a tremendous community college system with a Small Business Center Network. In addition, there are 16 regional offices in the University's System. All services are free, with much of the assistance focused on workshops and short courses. While this assistance is excellent, it is not sufficient; thus, they offer training with advisory service support. He sees his role as supporting the successful startup and growth of businesses across the State. Their SBTDC clients have

significantly outperformed NC businesses in terms of sales and employment growth. Getting assistance helps. For next steps, he recommended the following for improving Veteran-focused business startup services:

1. Create improved strategy and capacities (and responsibility) for retention of transitioning military including a focus on those interested in starting a business in NC.
2. Develop an active marketing campaign to help make transitioning military aware of resources available to them (Please – something more than a list).
3. Convene a semi-annual meeting of resource providers to improve awareness and collaboration among participants and level of services to Veterans.
4. Compile data and report annually on activity and outcomes.

Scott Dorney is the Executive Director of the North Carolina Military Business Center (NCBMC), which is part of the North Carolina Community College System (with State headquarters at FTCC) and is a business development organization that connects North Carolina businesses to federal contracts, connects military and other jobseekers to employment, and helps recruit defense contractors to North Carolina. His office complements the services through Daugherty's program, and they enjoy a close partnership. He sees his role as helping Veteran entrepreneurs leverage federal contracting. The impact of the military has been huge in NC, amounting to \$48B per year (#1 is agriculture at \$70B), with prime DoD contracts in 79 counties and prime federal contracts in 97 counties. He works with both Veteran-owned small businesses (VOSB) and service-disabled Veteran-owned small businesses (SDVOSB). Businesses must be registered, and more and more federal agencies are wanting businesses to be verified by the VA. Mark Mills's organization, the Procurement Technical Assistance Center (PTAC) helps in this regard. Briles Johnson heads the Defense Network in Raleigh. The NCBMC focuses on business development (only one in country) and helps existing businesses leverage more contracts. They have 15 locations across the State, which monitors business contracts and matches businesses to federal contracts (<http://MatchForce.org>). In addition they conduct training and hold strategic events throughout the year. He recommended what NC needs to do, both strategically and systemically, given that NC has the best infrastructure in the country for helping businesses grow:

- Sustain the outstanding institutional infrastructure that supports businesses in the federal market.
- Promote business engagement in the federal, export, and other markets; recruit defense contractors.
- Engage the military to BuyNC and to position NC for future opportunities (and the "next big thing").
- Promote retention of the military/spouse workforce.
- Recognize Defense as a "Super-Market" – and leverage it!

CJ Scarlet currently serves as the President of the North Carolina Veterans Business Association, aka NC VetBiz. VetBiz is a member-operated organization of Veteran professionals and Veteran business owners that offers free services. She stressed the need to work together. She identified the following challenges: mixed message or inconsistent message about business resources; little or no business connection; and lack of access to state purchasing and contracting opportunities. Currently, there is no way to give preference to Veteran-owned businesses so it is important to develop "V to V" connections. Kyle Winder currently serves as the board chair of VetBiz. One of the problems is the lack of visibility of these organizations. The role of VetBiz is to support, educate, and connect/outreach. He made the following recommendations:

- Develop clearer communications (a portal) via the NC DVA which identifies and provides links to bona fide resources for veteran owned businesses and VetEntrepreneurs.

- Develop better tracking of veteran owned businesses in NC (not just SAMS).
- Develop legislation to promote and require the use of veteran-owned business for state, local government purchasing and contracts.

Mr. Pantano suggested that businesses join VetBiz and grab a copy of NC4VETS so they will have a better idea of available resources throughout the State. He reiterated that the GWG meetings serve as a place to network since the goal is to make NC a veteran friendly state. He identified some successes that have occurred—the State has moved from #9 in veterans to #8 in veterans and from #6 in military retirees to #5 in military retirees. This has resulted in more money being spent in the state. They are also trying to get pro-Veteran business legislation passed.

Annette Stevenson serves as the Supplier Diversity Manager at SAS Institute and has a corporate perspective as she works for the world's largest software company. In her job, she works with minorities, women, and Veterans and has seen a growing focus on tracking Veteran-owned businesses and service-disabled VOSBs. NC could improve its tracking and provide more opportunities to Veterans. While NC HUB tracks businesses owned by minorities and people with disabilities, they do not track VOSBs or SDVOBs, and she suggests that they use GDAC to do that. She sees her role as providing support, education, and connecting with Veterans. Ms. Stevenson would like to see more collaboration at the state level, with the goal of engaging all VOSBs and providing them with the resources and opportunities to succeed. She noted that the VA is launching the Veteran Economic Community Initiative (VECI) (<http://www.benefits.va.gov/VECI/veci.asp>), but there is not a site in NC. She recommends a four-pronged approach for increasing the Veteran friendliness of the State: intra-agency reform; interagency reform; communications plan; and legislative agenda.

Ms. Stevenson also presented for Terri Kane, a Veterans Services Officer interested in assisting women Veterans in NC. Ms. Kane was involved in the successful women Veterans expo in April 2014, and she is working on a similar expo for 2016. The expo's success was based on collaboration and inclusion. She made three recommendations:

- Establish a Women Veterans Program for the State of NC with a full-time program manager.
- Track women Veterans to determine needs and evaluate and improve services.
- Empower women separating from military service to stay in NC by providing business and entrepreneurship opportunities; building on military job skills and providing training for additional skills; representing them on advisory and legislative committees; and connecting them with resources and other Veterans for support.

Brad Lienhart and Paul Dillon are co-founders of VetStart.Biz. He is the president and CEO of Dillon Consulting Services LLC (<http://www.dillonconsult.com>), a US Department of Veterans Affairs certified *Service Disabled Veteran-Owned Small Business*, based in Durham, NC and Chicago, IL, which provides services to veterans who want to start their own businesses. Paul is the creator of the concept for a veteran startup incubator in Chicago, called the Bunker (<http://www.bunkerincubator.com>), as well as the creator of the concept for a veteran entrepreneur support organization in North Carolina, called *VetStart.biz* (<http://www.vetstart.biz/>). As a Vietnam veteran, he understands the stigma related to hiring Veterans and wrote about it in a Forbes article published in September 2014 (<http://www.forbes.com/sites/realspin/2014/09/29/memo-to-employers-veterans-arent-ptsd-basketcases-theyre-disciplined-and-committed/>). VetStart.Biz is a collaboration with the Research Triangle Foundation. They are serving as a gateway for information for local agencies serving Veterans and local agencies serving entrepreneurs and will be conducting a training event on September 24. Their goal is to assist 100 NC Veteran businesses in 2015. They charge for their six-month program, known BASIC—Business Assistance, Startup advice; Investment; and Consultation. Their recommendations included the following:

- Proclaim “promotion and support “of veteran owned businesses as a stated goal
- Dedicated staff position to support/promote veteran owned businesses
- Pass legislation with set asides for veteran and disabled veteran owned businesses

Dean Bundschu is the Founder of Startup Veterans. The goal for Startup Veterans is to inspire and help veterans launch startups and new businesses. Services include training, resources, mentors, and networking. He noted that the most effective solutions for Veteran employment are professional networks and that Veterans are the best equipped to hire Veterans. He said that the least addressed challenge is under-selection. Lack of civilian understanding is a barrier. NC has been developing the business climate needed to support and attract successful VOSBs and SDVOSBs. For him, the formula for success includes the following components:

- Implement a bottom-up collective approach where government fosters connections and collaboration.
- Promote community-based services (wraparound services like “Giving Vets the Credit They Deserve” initiative).
- Offer community events and forums.
- Work to identify and celebrate local and state veteran entrepreneur achievements.

Cheryl Rawls, one of the vice chairs, reported that as of July 20, 2015, they had 80 homeless claims. The average days pending are 74.3 days. In terms of rating claims, they have 21,099, with average days pending of 102.2 days.

Ms. Stein thanked everyone for coming. At upcoming meetings, they are expecting speakers to make recommendations for the future and to suggest solutions. She reminded folks to register in advance. Next month’s meeting will focus on nonprofit resources, with employment and disabilities being addressed in September.

The next meeting of the Governor’s Working Group will be on August 27, from 2:00 to 4:00 pm in the Situation Room of Emergency Management at the NC National Guard Joint Force Headquarters. The topic will be nonprofit resources.