

**Regional Economic Growth Summit**  
**“Northern Virginia: Excelling in the Global Marketplace”**

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Thank you for the opportunity to be with you this morning.

Before I begin, let me give you a little bit of my background so you will know where I am coming from with respect to my remarks this morning.

- I have lived and worked in Northern Virginia for the past 30 years, and I am a proud graduate of West Springfield High School here in Fairfax County! Go Spartans!
- I served as CEO of two Northern Virginia headquartered technology companies, worked for two others, and have served on the boards of five others.
- I served as a Commissioner on the Fairfax County Economic Development Authority for almost 8 years.
- I previously chaired the Fairfax County Chamber of Commerce, and I currently chair the Northern Virginia Technology Council.
- I have served as a board member of two Virginia universities, including now serving in my third year as Rector (chair) of the William & Mary Board of Visitors.
- I am a venture partner for a locally headquartered venture capital firm focused on the technology sector.
- I am now the CEO of the new Inova Center for Personalized Health.
- I have worked extensively across the United States and around the world and have seen a number of regional economic successes.

With that as background, here is what I see as the critical components for creating an ecosystem for strong and sustained regional economic growth.

- **Strong private sector initiative** – We need strong private sector initiative and a private sector ecosystem that encourages and supports business creation, start-ups, and growth. We need a culture where it is a badge of honor to start a business, sometimes fail, and then take another shot at starting a new business. This is what entrepreneurship is all about.
- **Smart, well educated people** – We need lots of very smart people with relevant work force skills that meet the needs of our growing businesses. Richard Florida’s book, *The Creative Class*, makes what should be a fairly obvious point that talent clusters, meaning

that smart people want to be around other smart people and people who work in one industry want to be around more people who work in that same industry. We must invest in strategies that retain talent, attract new people to our region, and support workforce initiatives to prepare our workers and support our businesses and growth industries. A great example of a private-public sector workforce partnership is the Northern Virginia Technology Council's Veteran's Employment initiative, which works with veterans to help them develop and communicate to prospective employers relevant and saleable skills and experiences.

- **Capital** – We need capital up and down the business lifecycle that includes very early stage angel capital, early stage venture capital, growth capital, and private equity. As you know, starts ups and growth businesses are all fueled by capital. John Backus, a former chair of the Northern Virginia Technology Council and successful venture capitalist, refers to this as a virtuous cycle, as opposed to a vicious cycle where one or more of the capital components are not present.
- **We need what I will term as “moxie”** – We all need to have a little more attitude, not arrogance, which creates positive energy about our region, our strengths, our successes, our people, and our stories. Very frankly, we need to exude more moxie and regional confidence. Yes, we are too dependent on Federal spending. Yes, government spending retrenchment, government shutdowns, and sequestration have hurt and continue to hurt our regional economy. But we need to stop acting like that Winnie the Pooh character, Eeyore, who looks out at a sunny day and always claims it looks like earthquake weather. We have faced and will continue to face some real storm clouds, but our region has certain assets that no other region in the world possesses, we have very smart and talented people, and the federal government, while cutting back on spending, still provides a huge R&D engine for our regional economy.

In addition to these core macro requirements for growth, there are also important public policies that support an ecosystem for growth where the public sector is an enabler, facilitator, convener, and investor in areas where the private sector cannot be the primary investor. Let me discuss these very briefly.

- **K-12 Education** – We must have a globally outstanding K-12 system to educate the children of our parents who work at our businesses and live in our communities. Very importantly, our competitive comparisons should not be against other localities or states; the competition for our businesses and our children is the world. We must provide a rigorous education to compete with the children of the world and stop comparing ourselves to low performing localities and states here in the United States. And, very importantly, where a child lives in our region should not determine the quality of the education they receive. In this regard, we should ask ourselves if there are regional collaboration models that can help ensure that all of our children have access to an excellent education that will prepare them for the future ahead.

- **Post-Secondary Education** – We must have outstanding post-secondary education, both community colleges and four year colleges and universities to educate and attract talent. Virginia has spent the better part of the last 25 years disinvesting in higher education; this must change. At the center of almost every major economic cluster in the world is a great university or cluster of universities – think Boston and Silicon Valley here in the United States. We must also find ways to push our universities, particularly in the area of research, to collaborate more with other universities and the private sector to create commercialization opportunities and help spur new business creation. We have a very mixed track record here in Virginia, and we must do much better.
- **A positive people climate that is welcoming to all** – Our businesses are in a fierce competition to attract the best and brightest to our region. Public policies that make certain groups of people feel unwelcome in our region or our state hurt our ability to compete for the very best talent. This is particularly true with younger generations who are blinder to differences than all generations before them. Political skirmishes, whether local or at the state level, that make our region or state look unwelcoming or even hostile hurt our ability to attract and retain talent. Let's welcome all who want to come to our region or state and only discriminate based on merit.
- **Investments in Infrastructure** – Roads, bridges, transit, airports, and other infrastructure investments and improvements are critical to our economic vitality and growth. For too long we have acted like the Balkans, acting as if our local boundaries are relevant to commerce and the way our businesses operate. Case in point: the four technology companies I worked with had employees living all across the greater Washington, DC region and, for that matter, all across the country. Local boundaries were irrelevant to my businesses. The balkanization of public policy must stop, and we must think and act more regionally.

Very fortuitously, a statewide initiative called “Go Virginia” is focused on creating economic incentives for localities to collaborate more than they ever have before to make more meaningful progress on regional infrastructure and other regional investments. The idea is to incentivize two or more localities to collaborate and act together, and money from the state would only go to those localities that collaborate, not those that go it alone. If you are not aware of “Go Virginia”, I strongly encourage you to become aware.

- **Challenge the status quo and think and act boldly** – Our regional economy is in transition due to declines in federal spending. Now is not a time to be timid. Instead, we need to challenge the status quo and some of the traditional ways we have operated, both in the private and public sectors. We also need to collaborate more within our Northern Virginia region, across Virginia, and in our greater Washington, DC region. But instead of just talking about collaboration and wanting to hold hands and tell everyone we are collaborating, we need to focus on building economic clusters,

leverage our existing assets, fill the gaps and holes that exist, and build real regional strengths.

I am, of course, very biased in terms of what I am going to say next, but I believe one of the best opportunities we have regionally is to leverage and build on the significant investments Inova has made and will make to build out the Inova Center for Personalized Health on the former ExxonMobil headquarters property across from Inova Fairfax Hospital. We have a fantastic opportunity to build a life and bioscience cluster that leverages the health assets of our region, the data analytics and cyber capabilities of our technology sector, and the strengths of our universities. This life and bioscience cluster, focused on genomics and personalized medicine, will test our ability to act differently as a region and as a state.

Governor McAuliffe has made the life and biosciences an economic development priority for the Commonwealth, and I applaud him for this as well as his zeal, and zeal is the correct word, in aggressively promoting all things Virginia as we seek to strengthen our regional and statewide economy.

I also applaud Governor McAuliffe and all elected officials who are willing to challenge the status quo, or the way we have done things for a long time. In my view it is a real strength to ask questions about whether something is still working as intended, what we have learned, and what we might do differently with the passing of time. For example, Governor McAuliffe recently announced a task force headed by former Attorney General Mark Earley to examine the status quo about crime and punishment in Virginia and whether there are other ways to very appropriately, and importantly, protect Virginia's citizens at lower costs, both capital, operating, and human.

In this time of change and economic disruption and transition, we should challenge the status quo across the board to determine if there are better ways to provide services at lower costs in order to reprioritize much needed investments into education, research, and infrastructure.

So let me leave you with these final thoughts. Today, more than ever, we need outstanding private and public sector leadership in our region to reignite our regional economy. We need to think and act differently. We need to focus on leveraging our strengths and working together to fill our gaps. We need to challenge the status quo. We need to be bold. And we need to be confident in our collective ability to build a future that is better than our past. That is both our challenge and our great opportunity.

Thank you for the opportunity to be with you this morning.