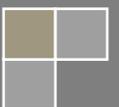


2013

# Office of Performance Management and Oversight

**FISCAL YEAR 2013 REPORT**

Anne Struthers  
Executive Office of Housing and Economic Development  
2013 Annual Report



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## Executive Summary

The Office of Performance Management and Oversight (OPMO) was created by Chapter 240 of the Acts of 2010 – An Act Relative to the Economic Development Reorganization. The objective of this Office is to improve the effectiveness of the economic development efforts of the Commonwealth by measuring the performance of all public and quasi-public\* entities engaged in economic development. This Office is part of the Patrick Administration’s commitment to making state government more effective, more accountable, and more transparent. The following represents the agencies that comprise the OPMO:

<b>Commonwealth Corporation (CC)</b>	<b>Massachusetts Life Sciences Center (MLSC)</b>
<b>Commonwealth Marketing Office (CMO)</b>	<b>Massachusetts Office of Business Development</b>
<b>Massachusetts Business Development Center (MBDC)</b>	<b>Massachusetts Office of International Trade and Investment (MOITI)</b>
<b>Massachusetts Clean Energy Center (MCEC)</b>	<b>Massachusetts Office of Travel and Tourism (MOTT)</b>
<b>Massachusetts Convention Center Authority (MCCA)</b>	<b>Massachusetts Port Authority (MassPort)</b>
<b>Massachusetts Cultural Council (MCC)</b>	<b>Massachusetts Small Business Development Center (MSBDC)</b>
<b>Massachusetts Development Finance Agency (MassDevelopment)</b>	<b>Massachusetts Technology Collaborative (MTC)</b>
<b>Massachusetts Export Center (MEC)</b>	<b>Massachusetts Technology Transfer Center (MTTC)</b>
<b>Massachusetts Growth Capital Corporation (MGCC)</b>	<b>Massachusetts Ventures (MassVentures)</b>

All agencies under the OPMO are required to submit an agency plan for the upcoming year including goals and performance measurements. Agencies are also required to submit an annual report. Agency plans and reports are available on the OPMO website – [www.mass.gov/opmo](http://www.mass.gov/opmo).

Fiscal year 2013 annual reports are electronically filed along with this report to the clerks of the Senate and House of Representatives, the Chairs of the House and Senate Committees on Ways and Means and the House and Senate Chairs of the Joint Committee on Economic Development and Emerging Technologies.

\*Quasi-public agencies are state agencies created by statute that are funded to some extent with state tax dollars. They are headed by chief executive officers who report to boards of directors who in turn are appointed by state elected officials.

Agency plans demonstrate alignment with the Commonwealth's economic development plan and policy – [Choosing to Compete in the 21st Century](#), which includes five broad categories for action.



The OPMO has made significant progress in working with each agency to measure progress against goals in order to improve the effectiveness of economic development efforts across the Commonwealth. We have highlighted the results and alignment with the Commonwealth's economic development plan in this report. Detailed information is available at [www.mass.gov/opmo](http://www.mass.gov/opmo).

In addition to meetings with each agency, we conducted a strategic session for all agencies and members of the Executive Office of Housing and Economic Development (EOHED). In this session, members of EOHED and the agencies collaborated to provide an update on the advancements of key initiatives under the economic development plan.

Progress throughout the year is documented on the Choosing to Compete website, [www.mass.gov/compete](http://www.mass.gov/compete).

## MISSION STATEMENTS

Agencies under the Office of Performance Management and Oversight provide a wide spectrum of services to build long term, sustainable economic development. Mission statements are highlighted below:

AGENCY	MISSION STATEMENT
<b>Commonwealth Corporation</b>	To meet the immediate and emerging workforce needs by strengthening the skills of Massachusetts youth and adults by investing in innovative partnerships with industry, education, and workforce organizations
<b>Commonwealth Marketing Office</b>	To provide consistent, statewide business and student marketing effort
<b>Mass Business Development Center</b>	To impact “Main Street” business creation and expansion through lending to smaller businesses throughout the Commonwealth
<b>Mass Clean Energy Center</b>	To accelerate economic growth and job creation in all areas of Massachusetts’ clean energy sector by deploying strategic initiatives that are replicable and scalable, create a clean energy ecosystem, encourage people to make better energy choices and reduce the real costs of energy
<b>Mass Convention Center Authority</b>	To generate significant regional economic activity by attracting conventions, tradeshow, and other events to its world-class facilities while maximizing the investment return for the residents and businesses in the Commonwealth of Massachusetts
<b>Mass Cultural Council</b>	To promote excellence, access, education and diversity in the arts, humanities, and interpretive sciences to improve the quality of life for all Massachusetts residents and contribute to the economic vitality of our communities
<b>MassDevelopment</b>	To stimulate economic development and industrial growth, increase employment, build communities, promote prosperity and general welfare, and eradicate blight across the Commonwealth
<b>Mass Export Center</b>	To help businesses achieve and expand success in global markets by developing and providing targeted, high-impact services delivered through a statewide network of international trade professionals <i>(part of Mass Small Business Development Center)</i>
<b>Mass Growth Capital Corporation</b>	To create and maintain jobs, especially in low and moderate income areas by providing financing to small business, women and minority owned firms, growing industries, manufacturing companies through community development efforts
<b>Mass Life Sciences Center</b>	To create and retain jobs in the life sciences super cluster – stimulate workforce development, strengthen the life sciences infrastructure and ecosystem, and promote our global competitiveness
<b>Mass Office of Business Development</b>	To strengthen the Massachusetts economy by providing a highly responsive, pro-business climate that stimulates job and investment growth and builds on the core economic strengths of every region

AGENCY	MISSION STATEMENT
<b>Mass Office of International Trade &amp; Investment</b>	To expand the Massachusetts economy by marketing the state's business internationally, through focused export promotion, attracting foreign companies to invest in Massachusetts and handling protocol as it relates to trade and investment
<b>Mass Office of Travel and Tourism</b>	To market Massachusetts as a destination for leisure travelers from domestic and international markets in order to generate state and local revenues and ultimately to grow and sustain jobs in the tourism sector
<b>Mass Port Authority</b>	The Massachusetts Port Authority operates an integrated transportation network that delivers world-class safety, security, facilities, and customer services in an environmentally responsible manner. Massport promotes economic growth, enhances the quality of life of New England residents and protects the freedom to travel safely, securely, and efficiently
<b>Mass Small Business Development Center</b>	To contribute to the entrepreneurial growth of small business throughout Massachusetts by providing high quality, in-depth advising, training and capital access
<b>Mass Technology Collaborative</b>	To promote new economic opportunity and foster a more favorable environment for the formation, retention and expansion of technology-related enterprises
<b>Mass Technology Transfer Center</b>	To support technology transfer activities from public and private research institutions to companies in MA resulting in the creation of more technology based companies and improving the competitive edge of existing companies
<b>Mass Ventures</b>	To stimulate the innovation economy by providing capital and one-on-one mentoring to high-growth potential technology companies

## KEY PERFORMANCE MEASUREMENTS

Key performance measurements for each agency are outlined below:

AGENCY	KEY PERFORMANCE MEASUREMENTS				
<b>Commonwealth Corporation</b>	Workers trained through the Workforce Training Fund	Youth employed via YouthWorks program	Training participants placed into employment	Products/events and participants attending events	Number of jobs created over the 2-year training plan
<b>Commonwealth Marketing Office</b>	Increased internships	Increased "Ambassadors" for State	Coordinated marketing and messaging		
<b>Mass Business Development Center</b>	Companies assisted	Jobs created and retained	Private sector financing leveraged	State funds invested per job impacted	cities and towns assisted
<b>Mass Clean Energy Center</b>	Jobs created or retained	New, commercial technologies	Other investment leveraged	Megawatts & negawatts created	Market and industry barriers eliminated
<b>Mass Convention Center Authority</b>	Economic impact and taxes generated through activities	Jobs supported; direct, indirect and induced	Events hosted associated with innovative, knowledge based regional industries	Investments related to entrepreneurial government initiatives	Education/training support of tuition reimbursement and ESOL programs
<b>Mass Cultural Council</b>	STARS grants – supports teaching artists	Jobs created through Cultural Facilities Fund (CFF) – supports new building projects	Jobs supported	Number of programs	
<b>MassDevelopment</b>	Projects Financed or Managed	Project Investment Generated	Jobs Created	Housing Units Created	
<b>Mass Export</b>	Increased export sales	Businesses attending events			
<b>Mass Growth Capital Corporation</b>	Loans & investments	Targeted management assistance	Private sector financing leveraged	Jobs created & maintained	Micro-loan intermediary assistance

AGENCY	KEY PERFORMANCE MEASUREMENTS				
<b>Mass Life Sciences Center</b>	Net new life science jobs created by MLSC programs and investments	Number of and amount of investments companies	Number of interns placed through the MLSC Internship Challenge Program and number of participating industry sponsors	Amount of square feet of new or upgraded research and bio manufacturing space funded by MLSC capital projects	Leverage delivered on the public dollars invested by the MLSC
<b>Mass Office of Business Development</b>	Net new & retained jobs/private investment	Investment per job	Small business results	Gateway, regional and industry results	
<b>Mass Office of International Trade &amp; Investment</b>	Jobs created	Private investment	Companies assisted	Amount of increased exports	
<b>Mass Office of Travel and Tourism</b>	Direct spending by visitors	State tax revenue	Local tax revenue	Market share from origin markets	
<b>MassPort Authority</b>	Operating revenues and net position	New direct flights	Total number of airport passengers	Safety and Security Measures	FAA Certificates of Approval
<b>Mass Small Business Development Center</b>	New and retained jobs	Business starts	Capital infusion secured for clients	Tax revenues generated	
<b>Mass Technology Collaborative</b>	Industry cluster employment and wages	Occupations and wages	Household income	Productivity	Industry output and manufacturing value added
<b>Mass Technology Transfer Center</b>	Researchers and/or business supported	New investment raised by companies	Additional business activity by companies	Event metrics - companies showcased and investors attending	Technology Transfer Office support initiatives – including portal data
<b>Mass Technology Development Center</b>	Exit from 3 existing investments	Invest in 4 new start-ups	Leverage MTDC investment at least 8x with private capital	Mentoring to more than 30 companies	

## RESULTS

This section summarizes the progress and accomplishments of the 18 agencies under the Office of Performance and Management for Fiscal Year 2013. For comprehensive information on each agency, please visit the OPMO website – [www.mass.gov/opmo](http://www.mass.gov/opmo).

The **Commonwealth Corporation** strengthens the skills of Massachusetts youth and adults by investing in innovative partnerships with industry, education, and workforce organizations. Commonwealth Corporation seeks to meet the immediate and emerging workforce needs of businesses and workers.

### ⇒BUILDING TALENT – REGIONAL DEVELOPMENT

- **Workforce Training Fund** – awarded \$12,388,471 to 148 businesses supporting the training of 11,840 workers.
- **Workforce Competitiveness Trust Fund** – awarded \$4.5 million to 15 business, education, and workforce partnerships. These partnerships will train 850 individuals and represent engagement with over 100 businesses.
- **State Energy Sector Partnership Grant** – This US Department of Labor Grant was contracted to Commonwealth Corporation to prepare workers for jobs in clean energy. The results below reflect cumulative performance measures from March 1, 2010 through June 30, 2013. The program ended June 30, 2013 and the results exceeded program goals.
  - Enrolled 1,792 individuals in training – 1,102 were unemployed.
  - Placed 788 individuals into new jobs – 742 unemployed individuals and 42 incumbent workers placed in new positions.
- **YouthWorks Program** – \$7.52 million to support 4,719 youth in summer employment experiences in 31 cities across the state.
- **Skills Gap – Supply and Demand in the Massachusetts Economy** – In partnership with the Federal Reserve Bank of Boston’s New England Public Policy Center, the Commonwealth Corporation completed eight regional labor market profiles. These profiles document 10-year trends in the demographic composition of the regions’ labor force, employment trends, and the pipeline of graduates from post-secondary institutions in the region.



The **Commonwealth Marketing Office** acts as a central entity and coordinating organization for marketing initiatives to advance economic development.

#### ⇒EASE OF DOING BUSINESS

- Coordinated marketing and branding for the first annual Economic Development Summit held in March 2013.
- Created materials for the Massachusetts Office of Business Development for the Economic Development Incentive Program website.
- Coordinated MassEcon’s Ambassador Program- a network of civic leaders and executives throughout Massachusetts who serve as peer contacts for companies evaluating Massachusetts as an expansion location.
- Reviewed and updated the [Mass It’s All Here](#) website.

The **Massachusetts Business Development Corporation** provides a loan guaranty program designed to target “main street” businesses with working capital and expansion financing.

#### ⇒BUILDING TALENT – REGIONAL DEVELOPMENT

- **Job Creation and Retention** – projected 2,105 created and retained jobs
- **Business Coverage** – assisted 252 ‘main street’ businesses
- **Financing** – provided \$16 million in private sector financing
- **Regional Coverage** – made investments in 102 cities – 37 to Gateway Cities
- **Cost Efficiency** – state funds cost per job is \$276

The **Massachusetts Clean Energy Center** – accelerates economic growth and job creation in the clean energy sector by deploying strategic initiatives that are replicable and scalable, creating a clean energy ecosystem, encouraging people to make better energy choices and reducing the real costs of energy.

#### ⇒BUILDING TALENT – INNOVATION & ENTREPRENEURSHIP – COST COMPETITIVENESS

- **MassCEC** has confirmed 79,994 clean energy workers, which represents an increase of 11.8% over FY2012. There are now 5,557 clean energy firms identified representing an increase from 4,995 the prior year.
- **Innovate Mass** provided funding and beta testing sites for seven pre-commercial projects. Supported and showcased two companies’ cutting edge energy efficiency technologies.
- **Incubate Mass** provided funding to incubators that catalyze and support



startup companies including Greentown Labs (Somerville), North Shore InnoVentures (Beverly), Advanced Technology Manufacturing Center (Dartmouth), and Scibelli Enterprise Center (Springfield).

- **Solarize Mass** is a partnership between the [Massachusetts Clean Energy Center](#) (MassCEC), the [Green Communities Division](#) of the [Massachusetts Department of Energy Resources](#) (DOER) and cities and towns across the Commonwealth. It has led to more than 900 residents and business owners signing contracts for small-scale solar electricity systems. In FY13 Solarize Mass increased the adoption of small-scale solar electricity through facilitated energy planning workshops in 27 municipalities.
- **Internship Program** – 914 applicants of which 184 were accepted with 110 companies participating.
- Increased access to international markets through 12 newly exporting Massachusetts companies with total sales of \$5 million and 6 international companies opening offices in the Commonwealth creating 25 jobs.

The **Massachusetts Convention Center Authority** generates significant regional economic activity by attracting conventions, tradeshow, and other events to its world-class facilities while maximizing the investment return for the residents and businesses in the Commonwealth of Massachusetts.

#### ⇒ BUILDING TALENT -INNOVATION & ENTREPRENEURSHIP

- **Economic Activity** – generated \$655 million in economic activity resulting in \$34 million combined state and local taxes supporting 5,900 jobs.
- **World Class Events** – hosted 119 events with the following focus: 32 in education; 33 in technology; and 54 in medical/pharmaceutical.
- **Entrepreneurial Government** – generated \$1.6 million through “entrepreneurial government” initiatives including leveraging non-revenue generating space to generate lease and advertising revenue.
- **Job Training** – awarded \$120,000 to the South Boston Community Development Fund /Grants Program focused on job skills training and career development particularly for youth.
- **Innovation Leaderships** – invested \$2.6 million in technology upgrades including upgrading wireless capabilities to remain a technology leader in the convention industry.
- **Hospitality Scholarships**- granted awards to four students in the hospitality/tourism industry.

The **Massachusetts Cultural Council** promotes excellence, access, education, and diversity in the arts, humanities, and interpretive sciences to improve the quality of life and contribute to the economic vitality of our communities.

⇒ **BUILDING TALENT –INNOVATION & ENTREPRENEURSHIP –REGIONAL DEVELOPMENT –**

**GRANT PROGRAMS**

- **Adams Arts Program** – support through the disbursement of cultural economic development grants including grants for cultural activities that have the capacity to revitalize communities, stimulate income, create or enhance jobs, and attract tourism.
- **Artist Fellowships** – fellowships to artists in recognition of exceptional work.
- **Big Yellow School Bus** – provides grants to help schools meet the costs of providing educational field trips to cultural institutions and events across the Commonwealth.
- **Cultural Facilities Fund** – increases investments from both the public sector and the private sector to support the sound planning and development of cultural facilities in Massachusetts.
- **Cultural Investment Portfolio** – the portfolio represents a partnership that will better position the cultural sector as vital components of Massachusetts' economy and the quality of life of our citizens.
- **Local Cultural Council Program** – Local Cultural Councils serving every city and town in Massachusetts offer grants to projects benefiting their respective communities.
- **New England States Touring Program (NEST)** – a cooperative program between the New England Foundation for the Arts (NEFA) and the state arts agencies of New England that provides support to nonprofits for performances, readings, and related community activities by artists that have met the eligibility criteria for the NEST Program.
- **STARS Residencies** – grants to schools for residencies of 3 days or more with teaching artists, scientists, scholars, or cultural organizations.
- **Traditional Arts Apprenticeships** – as part of the [Folk Arts and Heritage Program](#), apprenticeships support the teaching of traditional arts that are specific to a particular folk group or ethnic community.
- **YouthReach** – multi-year grants for partnerships that provide substantive arts activities for young people who are "at-risk."

**Cultural Council FY 2013 GRANTS**

PROGRAM	TOTALS	GRANTS
Cultural Facilities Fund	\$5,198,772	64
Artists Grants	\$279,000	68
Big Yellow School Bus	\$144,800	724
Cultural Investment Portfolio	\$3,458,200	390
Folk Arts and Heritage	\$28,437	6
Adams Arts Program	\$388,330	27
Local Cultural Councils	\$2,340,000	329
Public Partnerships	\$523,724	3
STARS Residencies	\$312,110	74
YouthReach	\$420,000	42

*"The tradition in this state... of public support for the arts goes all the way back to the original Constitution — written by John Adams — which says it will be the public duty of the government to support the arts, support the sciences, to support education, for all levels of society. We've got to raise children to appreciate the arts."*

— Historian David McCullough, two-time winner of the Pulitzer Prize and winner of a 1999 Commonwealth Award

- **Cultural Participation & Technical Assistance**

- *Creative Minds* program visited 40 cultural centers and trained 485 individuals.
- 5% increase in viewing of artists blogs including a 14% increase in [Call to Artists](#) page.
- Cultural Districts' efforts to designate a meeting with more than 40 potential districts.

The **Massachusetts Development Finance Agency (MassDevelopment)** stimulates economic development and industrial growth, increases employment, builds communities, promotes prosperity and general welfare, and eradicates blight across the Commonwealth.

## ⇒ BUILDING TALENT – INNOVATION & ENTREPRENEURSHIP – REGIONAL DEVELOPMENT

- **Advanced Manufacturing**

- Financed 34 manufacturing projects with over \$32 million investment.
- [AMPitup!](#) Advanced Manufacturing Program– awarded 10 grants totaling \$92,736 Grantees held 20 events including company tours, teacher professional development, and presentations on the program to business leaders.
- Funded the Advanced Manufacturing Futures Fund with \$1 million to support programs prior to legislative authorization and hired dedicated staff to support manufacturing.
- Commissioned and released “Innovation in Manufacturing; Makerspaces” an inventory of Makerspaces in the Commonwealth.

- **Innovation**

- 39% increase in total housing production to support innovation and entrepreneurial activity.

- 1,314 new rental-housing units.
- 20 loans to support innovation totaling \$17.2 million.
- **Regional Development**
  - 36% increase in projects in Gateway Cities with nearly triple the number of projected jobs created.
  - Coordinated seven *Economic Development Academies*.
  - 39% increase in Technical Assistance Projects.
  - 2.5 % increase in communities participating in Economic Development Self-Assessment Tool.
  - 39% increase in number of Municipal Technical Assistance projects.
- **Defense Sector Partnerships**
  - Developed task force committees and work plans related to military assets and security.
  - Plan to develop cyber security opportunity at Hanscom Air Force Base.
  - Massachusetts Military Installation Economic Impact Study shows economic output of \$14 billion.

The **Massachusetts Export Center** (*part of the Massachusetts Small Business Development Center*) helps companies achieve success in global markets by developing and providing targeted, high-impact services delivered through a statewide network of international trade professionals.

#### ⇒ REGIONAL DEVELOPMENT – EASE OF DOING BUSINESS

- Clients reported over \$112 million in export sales as a direct result of the assistance provided by Mass Export.
- Over 1,000 companies assisted.

The **Massachusetts Growth Capital Corporation** creates and maintains jobs, especially in low and moderate-income areas by providing financing to small business, women, and minority owned firms, growing industries, and manufacturing companies through community development efforts.

#### ⇒ BUILDING TALENT – REGIONAL DEVELOPMENT

- **Working Capital** – increased availability of working capital by 37%, from \$14.5 million to \$19.9 million.
- **Management Assistance** – provided management assistance to 39 small businesses.
- **New Jobs** –557 new jobs projected from loans made in FY13.
- **Bank Partnerships** – more than doubled the number of bank participants to from 21 to 43.
- **Small Business Technical Assistance Grants** awarded a total of \$700,000 to 14 organizations ranging from \$30,000 - \$75,000 per award. The program is designed to complement the traditional public and private small

business assistance network by providing technical assistance or training programs for underserved and disadvantaged businesses with 20 or fewer employees.

The **Massachusetts Life Sciences Center** creates and retains jobs in the life sciences super cluster by stimulating workforce development, strengthening the life sciences infrastructure and ecosystem, and promoting our global competitiveness.

### ⇒ BUILDING TALENT- INNOVATION & ENTREPRENEURSHIP- REGIONAL DEVELOPMENT

- **Career Development**

- Awarded \$3.2 million in awards to 31 schools across the state for the purchase of equipment and supplies to train students in life sciences technology and research.
- Placed 428 interns within over 222 sponsor companies – the Internship program has placed over 1,000 interns to date.
- Awarded \$308,950 in grants to encourage Science, Technology, Engineering and Math (STEM) education in K-12 with a focus on demographics that are underrepresented in STEM fields.



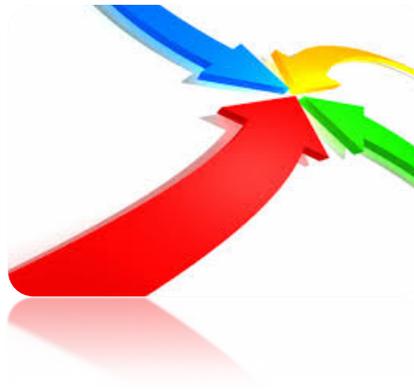
- **Accelerator Loan Program** – provided nearly \$6 million in working capital to six early stage companies.
- **Capital Grant Program** – this program is designed to help fund high potential economic development projects that promise to make significant contribution to the state’s life sciences ecosystem. Nine projects totaling \$135 million were approved including more than \$100 million for projects located in Western Massachusetts.
- **Tax Incentive Program** – Awarded \$23 million in tax incentives to 24 life sciences companies.
- **Cooperative Research Grants**– Four Cooperative Research Grants of \$500,000 each were announced in June 2013. Each grant will be matched by an industry sponsor on at least a 1:1 basis.

The **Massachusetts Office of Business Development** strengthens the Massachusetts economy by providing a highly responsive, pro-business climate that stimulates job and investment growth and builds on the core economic strengths of every region. By working directly with businesses as well as in collaboration with other agencies, MOBD facilitates access to resources to help businesses thrive in Massachusetts.

### ⇒ INNOVATION & ENTREPRENEURSHIP – REGIONAL DEVELOPMENT

- **Job Creation and Retention** –MOBD projects 6,010 new jobs, 15,866 retained jobs and private investment of \$1.1 billion.

- **Business Coverage** – met with 868 businesses and 395 business partners (municipalities, Regional Economic Development Organizations, and other key stakeholders for business development).
- **Business Expansion** – helped 101 companies expand in Massachusetts.
- **Database Management** – MOBD consolidates pipeline and project information from the following agencies. This centralized collection point provides a comprehensive understanding of regional needs and outcomes across the Commonwealth.
  - Mass Life Science Center
  - Mass Clean Energy Center
  - MassDevelopment Finance Agency
  - Mass Growth Capital Corp.
  - MassVentures
  - Mass Port Authority
  - Mass Office of International Trade and Investment
  - Mass Technology Council
- **Programs**
  - **Economic Development Incentive Program (EDIP)** – MOBD oversees the EDIP, which represents a partnership between a business, a municipality, and the state. In exchange for investment and job commitments, the municipality and state may provide tax incentives to foster business expansion. Since the reforms of 2009, 160 projects have been approved representing projected 11,450 new and 37,200 retained jobs and over \$4.5 billion in private investment.
  - **Regional Economic Development Organization (RED) Grant Program** – MOBD oversees the REDO program, which represents a partnership between MOBD and regional economic development organizations throughout the state. In FY13, 11 grants were awarded to organizations across the state to provide a consistent and efficient response to businesses seeking assistance. The grants totaled \$850,000.



The **Massachusetts Office of International Trade and Investment** expands the Massachusetts economy by marketing the state's business internationally, through focused export promotion, attracting foreign companies to invest in Massachusetts and handling protocol as it relates to trade and investment.

#### ⇒ INNOVATION & ENTREPRENEURSHIP – EASE OF DOING BUSINESS

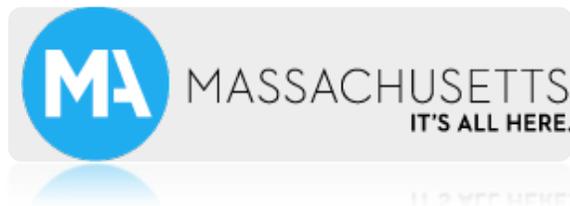
- Assisted five international companies establish new operations in Massachusetts.

- Hosted two Global Alumni events –in Columbia and Ireland that coincided with Governor Patrick’s “Massachusetts – Columbia Innovation Partnership Mission” and Senate President Murray’s “Mission to Ireland” The Global Alumni is a network that brings together business, civic, non-profit, and academic professionals around the world who have roots in Massachusetts.
- Facilitated in the delivery of new direct airline service to Panama City via Copa Airlines.
- Awarded \$681,310 to 71 companies as part of the STEP Grant Program, which provide grants to eligible Massachusetts small businesses to increase export sales of goods and services.
- Welcomed 55 delegations from 35 countries including visits from the British Prime Minister David Cameron and Peruvian President Ollanta Humala.
- Held 13 regional resource briefings and six international market opportunity seminars.

The **Massachusetts Office of Travel and Tourism** markets Massachusetts as a destination for leisure travelers from domestic and international markets in order to generate state and local revenues and ultimately to grow and sustain jobs in the tourism sector. *Please note – runs on a calendar year (industry driven) and as such, the annual report is based on Calendar Year 2011.*

#### ⇒ REGIONAL DEVELOPMENT – EASE OF DOING BUSINESS

- Provided \$6 million in regional tourism grants to 17 organizations that provide services for tourism, convention, travel, and recreation.
- Reoriented marketing platform through digital media programs to provide greater agility, measurability and real time initiatives.
- Facilitated in the delivery of new direct service to Panama City via Copa Airlines.
- Continued development of niche markets.
- Direct expenditures by domestic and international visitors up 8 % and 12% over last year.
- State revenue up 8.9% over last year.
- Direct spending by domestic and international visitors totaled \$16.9 billion.



The **Massachusetts Port Authority** operates an integrated transportation network that delivers world-class safety, security, facilities, and customer services in an environmentally responsible manner. Massport promotes economic growth and opportunity, enhances the quality of life of New England residents, and protects the freedom to travel safely, securely, efficiently and cost-effectively.

#### ⇒ REGIONAL DEVELOPMENT – EASE OF DOING BUSINESS

- **Safety and Security** – received annual FAA Certifications and increased camera coverage by 66% in specific Massport-owned facilities.
- **Customer Service** – completed consolidated rental car facility at Logan Airport, continued promotion of Silver Line, and started design phase to enhance Cruiseport Boston amenities.
- **Concessions** - earned \$72.5 million in concessions revenue increasing 6.3% over last year.
- **Airport and Air Service Expansion**
  - Worcester Regional Airport – Approved construction on a \$5 million private investment for new airplane hangar space facilitated arrival of Jet Blue service.
  - Hanscom Airport – Executed lease for new hangar.
  - Logan Airport – Record 29.4 million total passengers serviced in fiscal year 2013.
  - Logan Airport – Finalized delivery of new direct service to Panama City via Copa Airlines.
- **Maritime Operations** – Increased number of containers serviced by the maritime division (exceeded goal by 10%).



The **Massachusetts Small Business Development Center** (*part of the University of Massachusetts*) contributes to the entrepreneurial growth of small business throughout Massachusetts by providing high quality, in-depth advising, training, and capital access.

#### ⇒ BUILDING TALENT – INNOVATION & ENTREPRENEURSHIP – EASE OF DOING BUSINESS

- **Business Advisory Services** – provided advisory services to 3,451 individuals comprising over 22,693 hours of assistance. There are 874 clients located in Gateway Cities.
- **Jobs** – created 1,010 new jobs and retained 2,166 jobs, representing a 40% and 27% increase respectively.
- **Training** – MSBDC’s six regional offices and Mass Export conducted 180 training sessions.
- **Export Sales Impact** – Businesses confirmed addition \$112 million in export sales as a result of direct assistance from Mass Export.
- **MSBDC 2013 Economic Impact Survey** – According to client responses, businesses had \$77.9 million in new sales revenue adding \$7.64 million in total tax revenue.

The **Massachusetts Tech Collaborative** promotes new economic opportunity and fosters a more favorable environment for the formation, retention, and expansion of technology-related enterprises.

#### ⇒ BUILDING TALENT – INNOVATION & ENTREPRENEURSHIP – REGIONAL DEVELOPMENT

- **Innovation Institute**

- 77 interns placed with over 50 companies via the Intern Partnership Program.
- 12 X 12 initiative – a community of tech entrepreneurs, CEOs, and Venture Capitalists that supports 330 Massachusetts jobs, the formation and support of 21 start-ups, and nearly \$105 million in raised investment.

- **MassBroadband Institute**

- Installed 900 miles of fiber optic cable.
- Installed 44 miles of underground conduit.
- Awarded 42 small business technical assistance grants to incorporate internet technologies.



- **Massachusetts eHealth Institute**

- 1,945 eligible professionals adopted, implemented or upgraded their Electronic Health Records (EHR) through the MeHI Medicaid Incentive Operations Program.
- \$23.7 million in incentive payments made through the Medicaid EHR Program.
- Released a request for proposal for a new \$50 million Collaborative Research Matching Grant Program to support large-scale, long-term collaborative Research and Development projects that have the most potential to spur innovation, economic development and job growth.
- Conducted 5 roundtables focused on Big Data, Health IT, Digital Marketing, Mobile Communications and Robotics.

The **Massachusetts Technology Transfer Center** supports technology transfer activities from public and private research institutions to companies in Massachusetts resulting in the creation of more technology based companies and improving the competitive edge of existing companies.

## ⇒ INNOVATION & ENTREPRENEURSHIP

- **Catalyst Program**

- Encourages the commercialization of clean energy technologies developed in the Commonwealth
- Awarded ten \$40,000 grants used to demonstrate the feasibility of technologies in specific industry applications in order to obtain increased industry and investor interest

- **Platform Program**

- Enabled 100 entrepreneurs to present business plans to “dream team” of successful investors and consultants who provide valuable feedback
- **Technology Conferences**
  - Attended 22 conferences to showcase new and enhanced technologies to potential collaborators and investors. Conference themes have included life sciences, clean tech, nanotech, sensors, and robotics

**Massachusetts Ventures** stimulates the innovation economy by providing capital and one-on-one mentoring to high-growth potential technology companies.

#### ⇒ INNOVATION & ENTREPRENEURSHIP

- Secured \$5 million in new funding through MassDevelopment.
- Emerging Technology Fund to fill capital gaps:
  - Emerging tech markets not adequately served by the venture community.
  - First time entrepreneurs.
  - Companies transition from seed to Series A.
- **START Program** – Awarded \$2 million in Small Business Innovation Research (SBIR) related funding to help 15 growing companies commercialize technology developed under the SBIR contracts.
- Invested \$1.2 million in eight companies including two new investments leveraged by over \$20 million in private capital.
- Mentored 60 companies and built relationships with new co-investors, venture capital firms and the entrepreneur community.
- Reviewed 272 business plans and met with 189 companies.

## NEXT STEPS

The efforts of the OPMO thus far have served to create a solid foundation from which to build. In order to create a sustainable, data driven process by which to manage, engage, and communicate, we recommend the following strategy going forward:

**Communication** – Continued ongoing communication with the agencies on progress against plan – progress will be posted on economic development plan website and communicated to key stakeholders.

**Fiscal Year 2015 Agency Plans** – First draft of the plans will be due April 30, 2014 to enable time to discuss and revise accordingly prior to the beginning of the new fiscal year. All plans must include *specific* goals, performance measurements and demonstrate alignment with the Commonwealths economic development plan & policy – **Choosing to Compete in the 21<sup>st</sup> Century**. The OPMO will work closely with the agencies on effective measurements. Agency plans must be approved by agency Board of Directors if applicable as well as the Secretary of Housing and Economic Development. Approved Agency plans will be posted on the OPMO [website](#).

**Fiscal Year 2014 Annual Reports** – Reports will be due by October 1, 2014 and must correlate with the fiscal year 2014 agency plan previously provided. Results and performance measurements will be evaluated and recalibrated accordingly to meet goals and objectives. The OPMO will provide the template required for information to ensure all relevant and required data is received in a format that is clear and consistent across agencies. All reports will be filed with legislature and posted to the OPMO website by December 31, 2014.

**Best Practices Workshops** – The Office of Performance Management and Oversight will conduct Best Practices Workshops for all agencies and the Executive Office of Housing and Economic Development to provide status updates and collaborative successes to build on.

