

# Compete Connect

February 2025 Edition

## From the CEO's Desk



**Deborah L. Wince-Smith**  
President and CEO  
Council on Competitiveness

Dear Council Community,

Punxsutawney Phil may have seen his shadow, predicting a longer winter, but February in DC heated up quickly – with an unprecedented flurry of activity in the new Administration and Congress. And in this moment of incredible churn and transformation, the Council team is working across many fronts to propel forward our competitiveness agenda.

One major area of focus is to advance rapidly and pervasively the National Commission's report, [\*Competing in the Next Economy: Innovating in the Age of Disruption and Discontinuity\*](#), and its strategic recommendations. We are particularly focused on elevating [seven "priority" recommendations](#) the report highlights. A way in which I am shining a light on our collective work is to frame my Spring and Summer 2025 [monthly Forbes.com](#) articles around these recommendations — and implementing a social campaign to amplify. I hope you can help us in this push.

Building upon the executive summary of the *Competing in the Next Economy* report, I hope you will now explore a more expansive version, which comprehensively details our seven competitiveness pillars, each designed to multiply American innovation tenfold. We offer this deeper dive into our recommendations on our newly launched landing page, which you can explore by [clicking here](#).

Turning to a matter of immediate concern, you are likely aware of the recent policy change from the National Institutes of Health (NIH) that places a cap on the indirect costs research institutions can recoup from NIH grants, limiting them to 15 percent of the total grant amount. The Council has released a statement – included below in this newsletter and linked [here](#) – addressing the change and its potential ramifications for U.S. competitiveness.

The Council team is also deep both in planning and executing across our broad portfolio platform. I am honored to share here the final report from our third edition of the [Competitiveness Conversations Across America](#) that took place on the Purdue University Campus. Please take a moment to read and learn, as I did, about the exciting efforts to accelerate the greater Indiana-Illinois innovation corridor's world-class competencies and capabilities across “chips, qubits, and molecules.” The Indiana-Illinois Competitiveness Conversation Summary Report is posted [here](#).

And we are on the cusp of launching the first two of six 2025 editions of our [Competitiveness Conversations Across America](#) series, each dedicated to exploring and expanding the power of place-making innovation. The first 2025 Conversation will take place March 10-11 in the “River City” of [San Antonio](#), TX, where I will co-host with The University of Texas at San Antonio President and UT Health San Antonio Acting President Taylor Eighmy. This Conversation will place a special emphasis on examining emergent best practices for critical infrastructure security, or CIS. A timely lens, as our water, energy, communications, transportation, financial systems – and more – now integrate across physical and digital realms.

Following San Antonio, from March 30 to April 1, the Council community will convene in [Boulder, CO](#). There, I will partner with a distinguished group: Dr. Ed Seidel, President of the University of Wyoming; Dr. Martin Keller, Director of the National Renewable Energy Laboratory; Mr. Mike Freeman, CEO & PI of Innosphere Ventures and CO-WY Engine; Dr. Justin Schwartz, Chancellor of the University of Colorado Boulder; and Mr. Zachary Yerushalmi, CEO and Regional Innovation Officer of Elevate Quantum. We will focus on the flourishing I-25 Innovation Highway — spanning Colorado, Wyoming, and New Mexico — and the critical intersection of quantum technologies and sustainability. Following Colorado, we are also headed to [New Mexico](#) in early-May and [New England](#) in early-June, before future Conversations in the second half of the year in Salt Lake City, UT, and Pittsburgh, PA. Find more details on the [Council website](#), or email Council EVP and COO [Chad Evans](#) to join us at any of our Conversations – or to discuss hosting your own!

The Technology Leadership & Strategy Initiative (TLSI), after a successful 15<sup>th</sup> anniversary in 2024, is planning for a significant 2025 – including its first Dialogue taking place in early April at Lockheed Martin's Deer Creek Campus in Littleton, CO. There, we will finalize the Council's next major policy report focused on bolstering America's innovation and defense-industrial bases. A lot more to come here.

I will also reiterate an invitation I have extended: please consider joining a distinguished Council delegation and “innovation immersion” in Australia, July 21-25. This high-level set of meetings across Australia, starting in Melbourne and including Sydney, Canberra, et al – will re-launch the Council's innovative approach to amplifying innovation partnership and co-investments through proactive tech and innovation diplomacy, pioneered in 2019 immediately before the pandemic shutdown. For more details, contact Mr. Evans.

As I wrap up, I will share my excitement around the Council's agenda for the year ahead, and the many opportunities it presents for our members to get involved. I look forward to seeing you, both here in Washington, DC, and across the country.

And thank you for your continued dedication to U.S. competitiveness, and your support of the Council and our work.

Sincerely,

Deborah L. Wince-Smith  
President and CEO  
Council on Competitiveness

## Charting a Path in Times of Turbulence and Transition



The image shows a preview of a Forbes article. At the top, the word "Forbes" is written in a large, white, serif font on a dark background. Below this is a satellite-style image of the United States at night, with city lights glowing in yellow and orange against a dark blue background. Underneath the image, the text "BUSINESS > MANUFACTURING" is displayed in a small, grey, sans-serif font. The main title of the article, "A New National Vision for an Age of Disruption and Discontinuity", is written in a large, black, serif font. Below the title, the author's name "By Deborah Wince-Smith" is followed by the text "Contributor. I write about manufacturing,..." and a small blue downward arrow icon. To the right of this is a blue button with the text "Follow Author". At the bottom left of the preview, the date and time "Feb 21, 2025, 10:51am EST" are displayed in a small, grey, sans-serif font.

Interested in a compelling vision for securing our nation's future by increasing the country's competitiveness in cutting-edge technologies like AI, advanced computing, and critical supply chains? Council CEO Deborah Wince-Smith's February Forbes.com article unveils a roadmap for U.S. innovation and competitiveness in an era of rapid technological disruption and discontinuity.

Building off of the First Pillar of our National Commission's latest report, [Competing in the Next Economy: Innovating in the Age of Disruption and Discontinuity](#), Ms. Wince-Smith presents a strategic vision to increase American innovation tenfold. These recommendations — including putting forward a new narrative on

technology's role in the national interest, harnessing advanced computing, educating stakeholders on AI's potential, securing critical supply chains, forging public-private partnerships for access to key materials, and establishing a state-of-the-art science and technology infrastructure — will propel the United States into a position of global leadership, supporting greater prosperity and national security for the country.

This article kicks off a communications effort by the Council to educate policymakers and stakeholders about our innovation and competitiveness agenda — setting up a series of articles this Spring and Summer that will highlight the major recommendations from the *Competing in the Next Economy* report.

Read the full article on [Forbes.com](https://www.forbes.com).

## Council News

[Join Us in San Antonio to Shape Innovation and Secure Critical Infrastructure](#)



[Register Now](#)

Join The University of Texas at San Antonio (UTSA) and the Council on Competitiveness for 2025's first edition of the [Competitiveness Conversations Across America](#) series. We will co-host in UTSA's \$92 million, 167,000-square-foot San Pedro 1 / National Security Collaboration Center. Discussions will focus on growing and deepening the innovation ecosystem of San Antonio, Texas, and the region, as well as securing the country's critical infrastructure. See the agenda and speaker lineup [here](#).



**Conversation Cohosts:** Dr. Taylor Eighmy, President, The University of Texas at San Antonio, and Acting President, UT Health San Antonio; and The Hon. Deborah Wince-Smith, President and CEO, Council on Competitiveness

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**Join the Council in Boulder to Explore the Mountain West's Growing Leadership in Resilience and Quantum Innovation**



[Register Now](#)

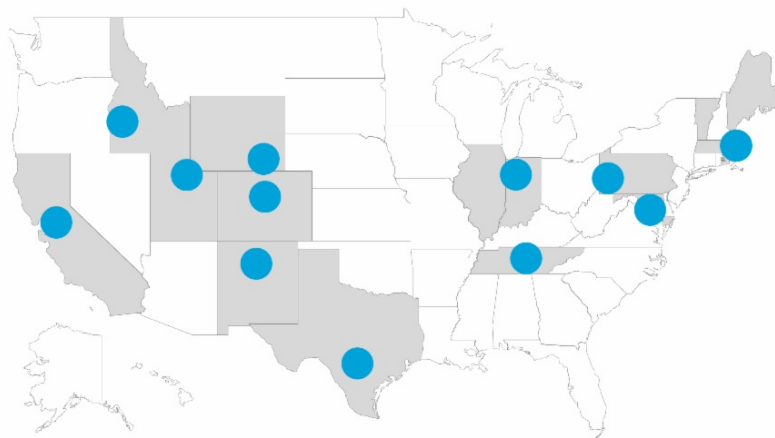
Join the Council in Boulder, CO, from March 30 to April 1 for 2025's second edition of the [Competitiveness Conversations Across America](#): "The Mountain West—Pioneering Climate Resilience & Quantum Innovation." This Conversation will unite leaders from Colorado, Wyoming, New Mexico, and across the country to explore how sustainability and quantum technology are converging in the region. [Visit the Conversation's landing page to learn more](#); agenda, list of speakers, logistics, and participants.



**Conversation Cohosts:** Dr. Ed Seidel, President of the University of Wyoming; Dr. Martin Keller, Director of the National Renewable Energy Laboratory; Mr. Mike Freeman, CEO & PI of Innosphere Ventures and CO-WY Engine; Dr. Justin Schwartz, Chancellor of the University of Colorado Boulder; Mr. Zachary Yerushalmi, CEO and Regional Innovation Officer of Elevate Quantum; and The Hon. Deborah Wince-Smith, President and CEO, Council on Competitiveness

National Commission on Innovation & Competitiveness Frontiers

## Competitiveness Conversations Across America



**2022 Conversation**

Jun. 21-22 Laramie, WY

**2023 Conversation**

Mar. 27-28 Davis, CA

**2024 Conversations**

Apr. 25-26 Nashville, TN  
 Aug. 6-8 Boise, ID  
 Sep. 9 West Lafayette, IN

**2025 Conversations**

Mar. 10-11 San Antonio, TX  
 Mar. 30 - Apr. 1 Boulder, CO  
 May 5-6 Santa Fe, NM  
 Jun. 5-6 Boston, MA  
 Sep. 18-20 Salt Lake City, UT  
 Oct. (TBA) Pittsburgh, PA

**2026 Conversations**

Jan. (TBA) Baltimore & College Park, MD

The Council is excited to host six Competitiveness Conversations Across America this year. [Find out more about previous and upcoming Conversations here.](#)

Lockheed Martin Hosting TLSI Dialogue 31 Where CTO Group Will Shape U.S. Tech Agenda



The Council will convene its 31<sup>st</sup> Technology Leadership and Strategy Initiative (TLSI) Dialogue on April 2 at the Lockheed Martin Deer Creek Campus in Littleton, CO. The TLSI community will discuss the release of the *Compact for America*, TLSI's strategic document that outlines how the United States can maintain its technology leadership amid rapid advancements and global competition, especially from China. The *Compact* provides actionable recommendations under five pillars: promoting technology's role in national competitiveness, accelerating dual-use innovations, speeding up commercialization, establishing global tech leadership, and expanding U.S. innovation ecosystems. At TLSI 31, technology leaders will further refine this document so it can better serve as an actionable agenda to enhance U.S. productivity, economic growth, and security.

Besides listening and engaging in insightful discussions around the *Compact*, attendees will also have the opportunity to tour the GPS High Bay, Space Operations Simulation Center, and Orion Integrated Test Laboratory. To learn more about the TLSI, *Compact for America*, and this event, email Council EVP and COO [Chad Evans](#).

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### Council on Competitiveness Issues Statement on the NIH Indirect Cost Reimbursement Directive

On February 10, 2025, the Council issued the following statement, responding to the National Institute of Health (NIH) directive reducing indirect cost reimbursement to no more than 15 percent of NIH grants.

*The February 7, 2025, directive from Office of the National Institutes of Health (NIH) Director, significantly reducing indirect cost reimbursement to 15 percent, has elicited tremendous concern among U.S. universities, medical centers, and others. This reduction, while intended to emphasize efficiency and maximize taxpayer investment, will negatively impact ongoing, critical life sciences and medical research at a time when competitors, especially China, are looking for any advantage to seize the lead in the global innovation race, and to dominate critical exponential technologies from AI to the biosciences. The Council on Competitiveness urges the Administration to reconsider the proposal, recognizing the key role research universities and medical centers play as hubs for high-value innovation, with direct economic impact in communities across the United States. Research shows every dollar of NIH funding generates around \$2.46 in economic activity. Most important, these frontier R&D investments power our nation's productivity, driving our economic competitiveness, and ensuring our national*

## Council President and CEO Speaks at 6th Delphi Economic Forum Washington, D.C.

At the 6th Delphi Economic Forum Washington, D.C., Council President and CEO Deborah Wince-Smith described key strategies for enhancing competitiveness and innovation — both in Greece and the United States. She made a compelling argument for addressing regulatory barriers hindering foreign direct investment in Greece, the importance of securing competitive energy costs to compete in AI and other advanced industries, opportunities to strengthen U.S.-Greece innovation partnerships, and the need for greater alignment between university R&D and industry in Greece. [More from the DC-based Delphi Economic Forum can be found here.](#)



## Council Community News

### Dr. Taylor Eighmy Becomes Acting President of The University of Texas Health Science Center at San Antonio (UT Health San Antonio)

Dr. Taylor Eighmy, President, University of Texas at San Antonio (UTSA), and a Council on Competitiveness National Commissioner, has assumed the role of Acting President of UT Health San Antonio. Continuing his role as President of UTSA, this dual role positions Dr. Eighmy to lead the merger of UTSA and UT Health San Antonio into a single integrated university, which would become the third-largest research university in Texas. [Read about the merger here.](#)

In other UTSA-related growth news, the university will open the College of AI, Cyber, and Computing in the fall of 2025, with an expected enrollment of over 5,000 students. The initiative will unite UTSA's AI Consortium for Human Well-Being and Open Cloud Institute to



## 2025 Wash100 Honors Dr. Mark Peters for Leadership at MITRE



Wash100 has honored Dr. Mark Peters, president and CEO of MITRE, with their 2025 Wash100 Award, recognizing his leadership in advancing innovation across AI, cybersecurity, national defense, and public health. Since taking the MITRE helm in September 2024, Dr. Peters has overseen key initiatives, including the launch of MITRE's Federal AI Sandbox and securing major government contracts, such as a \$541 million Air Force agreement. His expertise in science, technology, and national security continues to position MITRE at the forefront of federal R&D. [Read more about Dr. Peters' recognition here.](#)

And check out his February 13 op-ed in the *Washington Times*, in which he maps out the critically important roles federally funded research and development centers (FFRDCs) play in the U.S. innovation ecosystem to advance national priorities like AI and energy leadership in a "Golden Age" of innovation. [Read the full op-ed here.](#)

## National Academy of Engineering Inducts Council Executive Committee Member Dr. Suresh V. Garimella

The National Academy of Engineering (NAE) has elected Dr. Suresh V. Garimella, President and Distinguished Professor at the University of Arizona, Tucson, and Council Executive Committee Member, to its Class of 2025. This prestigious honor recognizes his exceptional contributions to microscale heat and mass transport, academic leadership, and service to the nation. Election to the NAE is among the highest distinctions in the field of engineering. [Read more about Dr. Garimella's achievement here.](#)



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### Eli Lilly Makes a Bold, \$27 Billion Commitment to the Future of U.S. Manufacturing and Innovation



Eli Lilly is significantly expanding its U.S. manufacturing footprint, announcing a \$27 billion investment to build four new drug production facilities (exact locations to be announced). This expansion, dubbed the largest pharmaceutical manufacturing expansion in U.S. history and building on an earlier \$23 billion investment, aims to add more than 3,000 additional jobs to the United States. The new plants will bolster the production of critical active pharmaceutical ingredients (APIs) and injectable drugs, addressing both rising demand and potential supply chain vulnerabilities. Eli Lilly's commitment to reshoring production aligns with broader U.S. efforts to strengthen domestic manufacturing, ensuring the country remains competitive in the global pharmaceutical market. [Read more about Eli Lilly's investment here.](#)

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### Leaders in the Council Advance a New Plan for High-Performance Computing

National Commissioner and University of Wyoming President Ed Seidel and University of Utah Emeritus Presidential Professor Dan Read are among the distinguished authors of "High-Performance Computing at a Crossroads," published in *Science*. Their article argues high-performance computing (HPC) has driven major scientific and technological progress over the past four decades, but as demand for more complex models rises, HPC faces bottlenecks in data processing, algorithm efficiency, and scalability, particularly in fields like chemistry and biology. While global investments in HPC infrastructure are growing, some leaders contend the United States lacks a clear long-term strategy, leaving its future leadership in HPC

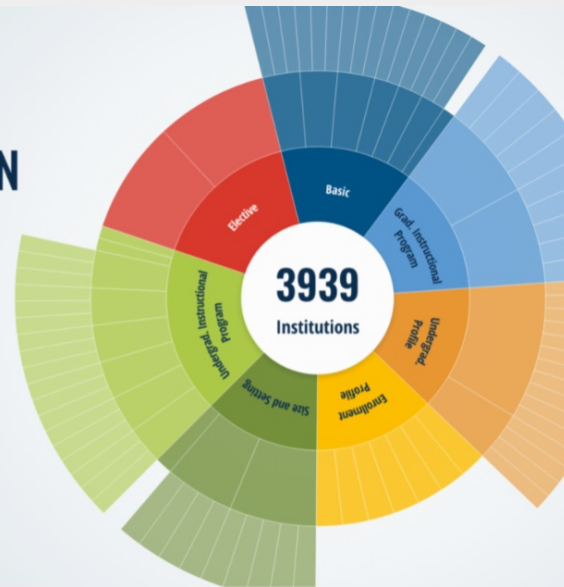
and innovation uncertain. [Read the study here.](#)

Want to learn more about the Council's HPC initiative, the [Alliance for Transformational Computing](#)? Contact Council Senior Advisor [Bill Bates](#).

## Council Universities Achieve Prestigious Carnegie R1 Research Status

### CARNEGIE CLASSIFICATION OF INSTITUTIONS OF HIGHER EDUCATION®

The Carnegie Classifications of Institutions of Higher Education® are the nation's leading framework for categorizing diverse U.S. higher education institutions.



Several Council-affiliated universities have achieved the prestigious Carnegie R1 Research status in 2025, including: The University of Vermont (UVM), Southern Methodist University (SMU), University of Wyoming and American University. The Carnegie Classification of Institutions of Higher Education rewards R1 Research status to universities with the highest level of research activity, and this designation places the previously mentioned universities among the highest-level research institutions in the United States.

## The University of Nebraska System and Iowa State University Launch Innovation Districts to Ignite Research and Entrepreneurship



Two Council-affiliated universities, The University of Nebraska System and Iowa State University, are launching innovation districts to boost research and community engagement. The University of [Nebraska Medical Center's Edge District](#) will be a center for medical and biotechnology innovation, where “entrepreneurs, investors, and inventors can collaborate in areas such as health-related research, digital health, smart device technologies and related fields.” Not far away, [CYTown at Iowa State University](#) will be an innovative multi-use district designed to spur economic growth, attract visitors, and support entrepreneurship by connecting the campus with the Iowa State Research Park.



# *Fusion Power*

*Enabling 21st Century American Dominance*

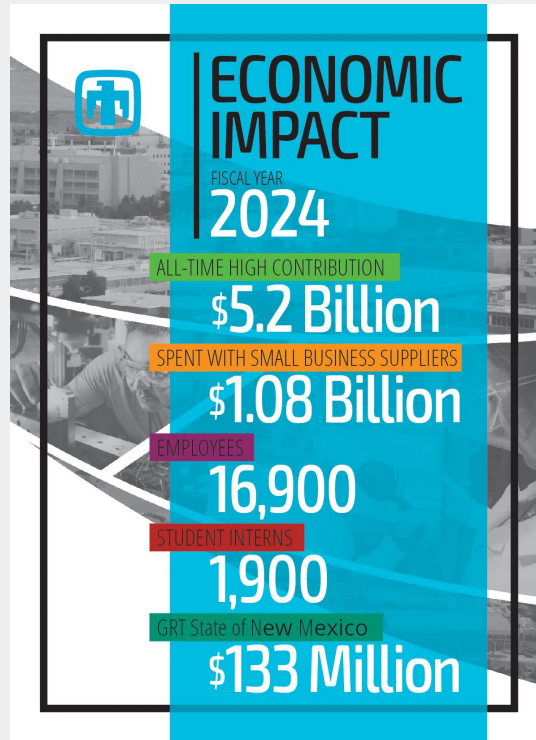
In *Fusion Power, Enabling 21<sup>st</sup> Century American Dominance*, Dr. Kimberly Budil, Director, Lawrence Livermore National Laboratory, and Council Distinguished Fellow, The Hon. Paul Dabbar, among other contributors, highlight the importance of accelerating fusion technology to maintain American dominance in the 21<sup>st</sup> century. The report makes clear fusion's role in national security, economic competitiveness, and sustainable energy. [Read more about their insights and the commission's roadmap here.](#)

## **The University of Michigan and Berkeley Lab Unleash AI Potential with Revolutionary Optical Chip-Connection Technology**

The University of Michigan, in collaboration with Berkeley Lab and other partners, is pioneering a groundbreaking optical chip-connection system to address the "memory wall" limiting AI performance. Funded by a \$2 million NSF grant, the project

replaces traditional electrical connections with optical pathways, enabling data transfer speeds over 100 times faster. [Read more about this exciting technology here.](#)

## Sandia National Laboratories Fuels \$5.2 Billion Economic Boost with Breakthrough Innovations and Record Patents



Sandia National Laboratories made history in 2024, contributing a staggering \$5.2 billion to the economy—a \$400 million increase from the previous year. Recent collaborations have supported remote water solutions for the Navajo Nation, advancements in next-generation solar technology, and a record 123 new patents. [Read more in Sandia's 2024 Economic Impact Report.](#)

## Secretary Wright Champions Vision for Energy Dominance in Visits to Los Alamos and Sandia National Laboratories



Photo Credit: Los Alamos National Laboratory



Photo Credit: Los Alamos National Laboratory



Photo Credit: Sandia National Laboratories



Photo Credit: Sandia National Laboratories

U.S. Secretary of Energy Chris Wright kicked off his tenure showing clear interest in America's national laboratory enterprise, with visits to several – including Los Alamos National Laboratory and Sandia National Laboratories. His engagement with lab leaders focused on how best to foster a "golden era of American energy dominance," and advancing the next great competitiveness moonshot: artificial intelligence. The Secretary also put forward an ambitious plan to reduce barriers for science and industry, and he reaffirmed the Trump Administration's commitment to leveraging the U.S. DOE's research infrastructure to maintain U.S. leadership, saying, "I look forward to working closely with the scientists and engineers of Sandia and Los Alamos to modernize our nuclear weapons systems, unleash American nuclear energy, and ensure America continues to lead the world in scientific and technical innovation." [Read more about Secretary Wright's visits here.](#)

## Council Community on the Hill

### Congress Hears from National Laboratory Directors on the State of U.S. Innovation



The U.S. Department of Energy (DOE) National laboratory system is the "ace in the hole" for U.S. innovation — that is the message Dr. John Wagner, Director of Idaho National Laboratory, aimed to convey to the House Committee on Science, Space, and Technology Subcommittee on Energy. During the testimony on February 12, 2025, he and Directors Dr. Thomas Mason from Los Alamos National Laboratory, Dr. Paul K. Kearns from Argonne National Laboratory, and Dr. Kimberly Budil from Lawrence Livermore National Laboratory, made clear the system's vital role in advancing science and innovation in the United States, particularly in transformative

## TLSI Member Walt Copan Calls for Bold Action to Strengthen U.S. Science and Technology Leadership



On February 5, 2025, The Hon. Walter Copan, Vice President for Research and Technology Transfer at Colorado School of Mines and Council TLSI member, testified before the U.S. House Science, Space, and Technology Committee. The focus of his testimony? The state of the U.S. science and technology enterprise.

Dr. Copan advocated for a national strategy to maintain America's global leadership in science and technology, urging policymakers to prioritize public-private partnerships, enhance coordination across federal agencies, and invest in STEM education. "This is the moment to implement meaningful changes that will solidify America's position as a global leader in innovation, drive economic growth, and safeguard national security for generations to come." [To hear the complete testimony, click here.](#)

## Competitiveness News

### Nation Approaches Showdown to Shutdown

# Government Shutdowns Since 1976

Source: Congressional Research Service



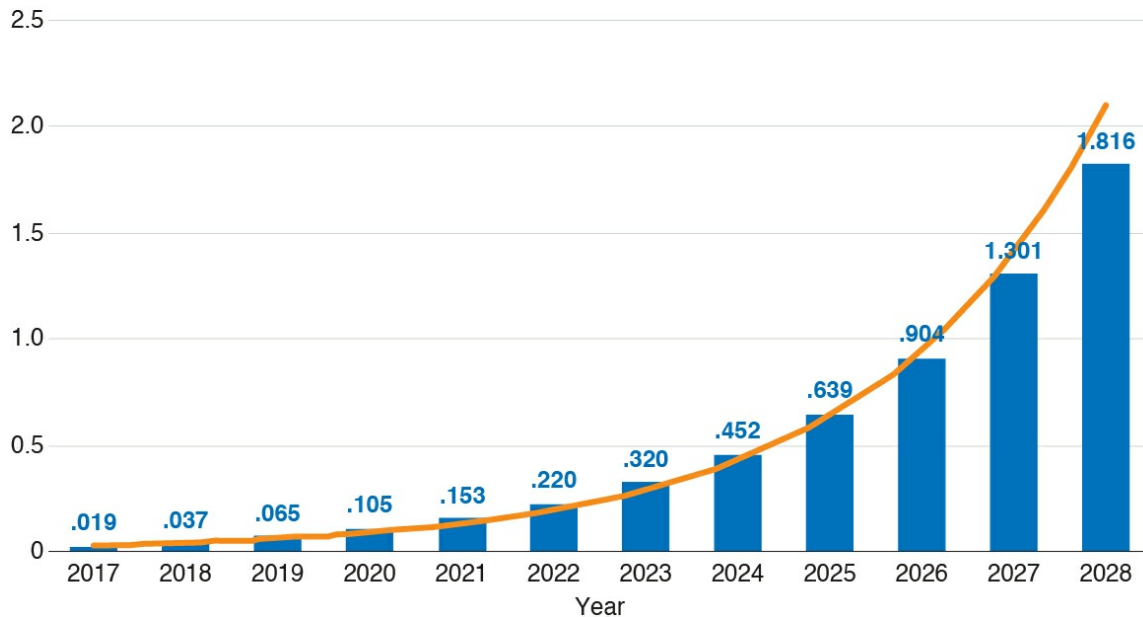
With the March 14<sup>th</sup> government shutdown deadline looming, uncertainty is affecting government operations and, for some industries, business continuity. With federal agencies potentially closing or functioning at reduced capacity, delays in permits, regulations, and approvals can hinder innovation and amplify the challenges for industries dependent on government contracts. While not a major drag on the U.S. economy, there is an impact. The CBO estimated the five-week partial shutdown in late-2018 and early-2019 [reduced GDP growth by \\$3 billion](#). But how frequent are government shutdowns, and what is their typical duration?

## Council Insight

[Americans Are Paying the Price for Cybercrime - to the Tune of \\$1.82 Trillion by 2028](#)



## Rising Costs of Cybercrime in the United States, Trillions USD



Source: Statista

[In December 2024, Chinese state-sponsored hackers breached the U.S. Treasury Department's computer systems, exploiting vulnerabilities in third-party cybersecurity provider BeyondTrust.](#) This attack, labeled a "major incident" by Treasury officials, exposed unclassified documents and highlighted the growing sophistication of state-backed cyber espionage. According to America's Cyber Defense Agency, China remains the most active cyber security threat to the American government. A Booz Allen Hamilton study reported, "Several different elements of China's security apparatus—including the military, state security, and internet censorship organizations—likely possess distinct cyberattack capabilities."

As cyber threats escalate, so do the costs to defend sensitive information. By 2028, this cost is predicted to be \$1.82 trillion, up from \$19.4 billion in 2017. With the rapid emergence of technological innovations, methods of hacking have become far more sophisticated and widespread. Between 2020 and 2023, the annual number data breaches, data exposures, and data leaks [increased by 189 percent](#). With the growing cost and risk of cyberattacks, building robust cybersecurity infrastructure is an increasingly important priority for the United States.

Next month, the Council and The University of Texas at San Antonio will cohost a Competitiveness Conversation focused on the resilience of digital systems and critical infrastructure security. To find out more about "A Competitiveness Conversation in Texas: Fortifying the Future — Innovation in Critical Infrastructure Security," please visit [the Conversation webpage](#).

New to the Community



**Dr. Kevin M. Guskiewicz**  
President  
Michigan State University

Dr. Guskiewicz joins as a General Member.

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**Dr. Harrison Keller**  
President  
University of North Texas

Dr. Keller joins as a General Member.



**Dr. Linda Livingstone**  
President  
Baylor University

Dr. Livingstone joins as a General Member.

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