

## National Commission on Innovation and Competitiveness Frontiers

### Working Group on Broadening and Deepening the U.S. Innovation

#### Ecosystem

#### *Session 4 Discussion Guide*

Wednesday, June 5<sup>th</sup>, 2024

3:00 p.m. to 4:00 p.m.

#### Agenda

- 3:00-3:10 – Welcome & Recap
- 3:10–3:50 – Discussion
- 3:50-4:00 – Conclusion & Next Steps

#### Background & Recap

When this Working Group met in March 2024, discussion focused on leveraging recent place-based investments to promote inclusive regional growth. Specifically, the group identified three key themes:

- **Strengthening research capabilities and conducting research** to better understand the impact of various federal investments and programs.
- **Supporting the development of innovation ecosystems**, particularly in undertapped communities, through increased collaboration and commitment to sustaining value within communities and regions.
- **Bolstering community readiness** through targeted research, community engagement, and toolkits for regional leaders.

In April 2024, the Council convened its first Competitiveness Conversation at Vanderbilt University in Tennessee. Participants gathered to discuss many issues relating to place-based innovation. Key themes emerging from that conversation include:

- **Expanding broadband infrastructure.** Accessible and high-speed broadband networks are an essential building block of innovation, democratizing internet access and pushing forward cutting-edge industries like quantum. Expanding broadband to new communities and strengthening existing connections will allow more people to participate in innovation and will create a reliable and welcoming environment for data-intensive technologies.
- **Improving data infrastructure.** As technologies like AI and quantum computing grow rapidly, so does the hunger for data, especially data that is transparent and secure. Any successful innovation ecosystem will require a secure and active data sharing environment, built in partnership between stakeholders from government, academia, and industry.

- **Building vibrant investment communities.** Building and maintaining active venture capital and investor communities is important for attracting businesses and entrepreneurs, and allows regions to capitalize on ideas spinning out from other innovative activities. Without sufficient capital, businesses will not be able to scale and achieve sustainable success. However, developing this community requires existing innovation infrastructure and regional advantages that can attract and retain investors and their capital.

## **Discussion: Strengthening local innovation ecosystems by enhancing community readiness, including digital infrastructure and local financing capabilities.**

**GOAL: Build on past discussions and begin driving toward concrete policy recommendations.**

**TOPICAL FOCUS: Enhancing community readiness.**

*The questions below are intended to guide discussion and provide food for thought. Not all questions need to be directly addressed during the Working Group session. Moderators and Working Group participants will collaboratively shape discussion around priority issues.*

Successful innovation ecosystems require innovation infrastructure – the features of a community that encourage and catalyze innovation, including “hard” and “soft” infrastructure elements such as universities to research facilities to affordable housing to high-speed internet, each of which enhances a community’s readiness to participate in the innovation economy. Two important components of community innovation readiness, digital infrastructure and readily available, accessible sources of financing, are currently lacking in many communities. Strengthening these components would accelerate many local communities’ ability to attract start-ups and other innovation-engaged businesses.

What can policymakers and other stakeholders do to (1) improve the digital infrastructure underpinning critical industries of the present and future; (2) create a welcoming environment for investors to support innovative activities; and (3) identify and address other gaps in community readiness?

### **Core Discussion Questions**

- What digital infrastructure upgrades (e.g., broadband, computing facilities, data sharing and storage capabilities) are most important to allow regions to participate in innovation?
- Are there special infrastructure capabilities or considerations needed for emerging industries (e.g., AI, quantum) and how can these be developed?
- What are the most important conditions that a venture capital/investor community looks for when determining whether a city or region is prepared for an investment ecosystem to develop? How can these conditions be created or strengthened?
- What is the most important supporting infrastructure for a healthy innovation ecosystem? What are the most important contributions from local government? What are the most important contributions from academia and industry? How can innovation ecosystems become self-perpetuating?

### **To Discuss as Time Allows**

- Sustained funding for broadband expansion and improvement has been difficult to secure in Congress. How can we more effectively advocate for more investment? In lieu of more investment, what can local policymakers and industry do to support needed infrastructure?
- How can communities and regional innovation stakeholders better engage with and attract entrepreneurs and better connect with investor communities?
- What role should universities play in building stronger innovation ecosystems that will attract established innovators and start-ups?

### **Conclusion & Next Steps**

- This Working Group will meet again September 18<sup>th</sup>, from 3:00-4:00, to build on the ideas generated in this session and explore new topics. A short summary will be sent to Working Group participants in the coming weeks.