

SR68 Meeting Notes

Date: 7/20/11

Location: Cisco, Sugarloaf Pkwy, Lawrenceville, GA

Commissioners: *need full list.*

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### **Education Panel**

Rodney Patterson (Microsoft)

- We have number of jobs that cannot be filled because of Georgia's small talent pool
- There are 10,000 ICT jobs available in Georgia that are not being filled.
- There are great opportunities in IT that are not being emphasized/not realized among young adults (High School).
- Microsoft DreamSpark Program([www.dreamspark.com](http://www.dreamspark.com)) :  
*DreamSpark provides professional-level developer and design tools to students and educators around the world at no charge. These Microsoft tools will help you advance your learning and skills through technical design, technology, math, science, and engineering activities.*

Sam Lim (Cisco)

- Cisco Network Academy provides over million students globally have access to Cisco technology free of charge  
(<http://www.cisco.com/web/learning/netacad/index.html>)
- Cisco Lawrenceville has an outreach program targeting H.S. STEM Education, which raises awareness in the types of jobs students can aspire to in IT, CS fields

Kelly McCutchen (Georgia Public Policy Foundation)

- Personalized digital learning is one possible solution to address the difficulties of teaching students with different background, language barriers, etc. Hybrid or blended learning is another teaching method that is gaining attention.
- Examples of innovative schools:
  - carpe diem school ([www.cdayuma.com](http://www.cdayuma.com));
  - Rocketship [Education] schools ([www.rsed.org](http://www.rsed.org));
  - The King's Academy ([www.tka.org](http://www.tka.org)),
  - Georgia virtual schools, Georgia science academy,
  - Connections academy (<http://www.connectionsacademy.com>)
  - Mayberry academy;
  - Mitchell County “flat” initiative/program – connecting local students to students across the world
- **Policy Input:** We need to make sure money follows the child; and break down barriers in education

Michael Robertson (TAG- Education Collaborative)

- There is a gap between the demand of technology jobs but supply. We have good bit of demand but not enough supply.
- ROKET: resources, opportunities; knowledge; engage; teachers
- **Policy Input:** How can teachers make extra income? What other ways can we engage teachers and provide opportunities for growth

## Q&A

Q) Loudermilk:

Do we need to change the way we teach students? Are we using an outdated pedagogical method? I have been told that the biggest challenge for the gulf coast region in Georgia is Educated Workforce. What do we need to do policywise to create interest in education workforce? For example, should we relax teacher certification requirements?

McCutchen:

**Policy Input:** Free up [policies, procedures] to encourage innovation, modify testing; [secure] accountability in school systems. If one course is not acceptable and transferrable in another, who is responsible? The student should not be subjected to this lack of accountability. Think of ways in which to keep students from moving out to another state, another region to receive decent education.

**Policy Input:** Open up the options and opportunities for students

Lim:

We do not have teacher training resources. If we are to create policies, need the teachers to test the technologies.

**Policy Input:** If the state invests in technologies, we need to make sure that the teachers – help make the teachers hate the technologies that fit the need.

Q) Albers: We are still using textbooks. What technologies or alternatives should the schools have for children?

Robertson:

Money and time spent on textbooks cannot keep up with the changes in time/need.

Lim:

**Policy Input:** Laptops might be used but the textbooks are not going away. There is no lack of textbooks in digital. Are we trying to support publishing industry or technology industry? These policies need to be addressed.

Q) Tino:

What should we do to help engage more young students to get interested in STEM.

Rodney: Career Forward.com, an online course, asks children series of questions and based on their likes and dislikes, and it offers several career options

## Data Centers Panel

Butch Goldi (QTS)

- Several challenges for Data Centers include:
  - Policy requirements with Generators and EPA/EPD
  - [The need for] reclassification for the datacenters to have their own category. Give us run time on utilities or grid
  - Access to water
- Overall: Georgia is an attractive location for data centers (geography). We are generating a lot of traffic coming into the Georgia. We are spending more money on industry side than technology side. We want to collaborate with universities
- **Policy Input:** We need to relax taxes on hardware. The current tax credits and specifications for eligibility must come down (lower the bar) because they only apply to big companies and not the smaller companies.
- **Policy Input:** No taxes on internet. This will kill us.
- **Policy Input:** Tax breaks for area revitalization will help. We are willing to put money to revitalize our community.

*\*Loudermilk : Please provide us with information on Generators and the EPD/EPA*

Mark Metz (Corus360)

- Started the company when economy was going south... 3 years ago, and was able to construct a premier building in Technology Park in Norcross- LEED Gold ([www.usgbc.org](http://www.usgbc.org)) which is a government certification on building that is good to the environment.
- 90 percent of building materials was recycled and we employed local contractors, reduced water consumption by 45%, have white roof, created 60 jobs
- we put in 4 million back into economy
- **Policy Input:** Incentives for technology jobs; incentives for LEED Certified Data Centers (about using local suppliers, local contractors). Data Centers are great for reuse of old buildings. There should be incentives for turning old buildings into datacenters instead of bulldozing them down and starting new.

Mathew Searfoss (Peak10)

- Headquartered in Charlotte, moved into Atlanta
- Business climate in Atlanta fit the profile for what we are looking for (small-med business), great place for datacenters (fiber rich, assets to technical employees)
- We participate on the Gwinnett Technical College board, and help develop curriculum
- **Policy Input:** We need a business climate that fosters growth in startups, and small-med businesses (our target customers). Keeping the

- commercialization's in Georgia and making sure the funding is available in Georgia to start business locally.
- Cloud runs on hardware and servers and storage – and this requires data centers like us.

## **Q&A**

Q: What is the biggest the obstacle when relocating to Atlanta from Charlotte?

*Searfoss:*

Things that attracted us to Atlanta include the fact that Atlanta is rich in fiber, technical staff, etc. Gwinnett Chamber was key in helping us move to Georgia. One challenge is permitting.

*Goldi:*

Permitting was our main challenge along with cost of power. Georgia has the second lowest power cost .

Q) Cassidy: what is your industry's views on renewable energy?

*Searfoss:*

Our customers love the idea, but our customers do not want to pay for it.

Q) Tino: What is the potential for Georgia to be a Mecca for datacenters? Is there anything from legislative side that will hold us back from achieving this?

*Goldi:*

Potential is great. We need to be ahead of the rest of states. VA has 500 hours of wattage use, we have 200 in Georgia. Tax abatements. We try to buy local and we are multi tenant in Georgia, we have to stay ahead of the game.

Q) Albers: How do we get around education that is being provided that does not really provide or address technical skills needed in the workforce?

*Metz:* Georgia retraining program is good but can be better.

Q) What is the vision for data center growth?

*Searfoss:* It's a crowded market, but Atlanta is a great market. There are tons of expertise and opportunities for growth. Idea of repurposing of old buildings (old warehouse old plant/manufacturing facilities) is one that is worth looking into because datacenters need access to power.

*Metz:* Cloud concept is that the customers can be anywhere. Growth is not necessarily tied to location or customers in Georgia. But we want to bring

customers to Atlanta. [different factors affect growth depending on the target customers]

*Goldi:*

We host the cloud, and others like Core ECS ([www.coreecs.com](http://www.coreecs.com)) provide cloud services to all public schools.

*Searfoss:*

**Policy Input:** We should not tax companies who want to relocate to Georgia that are housed in other states.

Q) *Albers:* Do you have trouble/issues receiving power?

*Searfoss:* We are currently ok, but it's a concern because if we need to build another site close to our current building, it might not be possible. So we might need to look at a different location.

*Goldi:* QTS is the second largest power consumer in Georgia. We have a node on the grid. Our fear is capping out on power. If a building is capped out on how much power the building run,

## **Emerging Growth Companies**

*Jim Denny* (Navicure)

- Established in 2001. We provide technologies that enable physicians to process collections/claims more effectively.
- 175 employees today. Average salary is \$70,000. Revenue is about \$38 million.
- Lots of private equities in this market place.
- **Policy Input:** We will like it if more private equities were based in Atlanta.

*Andy Monin* (Vendormate)

- 138 employees, ATDC graduate of '08, one of the fastest growing technology company
- We help hospitals make sure they comply with standards and safety regulations all across the board.
- **Policy Input:** We need more mature early stage business ecosystem in Georgia. Early stage tax incentives.
- We need ways to keep talent here in Georgia.
- 25% of our employees do not have a college degree.
- **Policy Input:** Traffic is a major threat to barrier to growth. Only three people use Marta daily...
- Our employees are greatest assets but our greatest cost.

*Val Rahmani (Damballa)*

- Founded out of GT. Internet security business. Heavily tech intensive, R&D, employees are mostly grad students from GT.
- 70 people. Located in Midtown. Very close to GT. Close relationship with GT faculty and students. Half workforce is not from Atlanta.
- **Policy Input:** We can't find enough engineers here Georgia. We do not have enough talent pool in the state with great management skills. Not enough have people with experiences...for instance, executive management experiences.
- Question we often receive from job applicants: If it doesn't work out with Damballa and what else can I do in ATL?
- **Policy Input:** IT will be great to have capital from Georgia not just outside.
- Most investors will say: who else can we invest in? I would love to see a tax break for recent grad students for three years to stay in Georgia after graduation.
- **Policy Input:** We need to get a VC Community.

### **Q&A**

Q) Are you having trouble finding employees?

*Denny:* Yes, really difficult. Less difficult right out of college. As you move up the ranks its harder to fill positions with lots of good experience.

*Monin:* More senior positions are hard to find. We have outsourced to India because of lack of talent.

*Val:* We are identifying new program areas and we can have colleges here be really cutting edge in this area. We need to have small and big companies to collaborate/feeding with one another, along with working with universities.

Q) Cassidy: Skilled workforce and educated workforce is different. What is the mix look like in your company as you mature?

*Denny:* 24% do not have college degrees. We rely more on skills. Skills and management degrees in GT students have been impressive. Skills are really important.

*Monin:* We hire for the skills, but train them for industry experience – it takes about 6 months to train them to the subject matter. We need people that can specialize in this area.

*Val:* All our employees are 100% four-year graduate students. For us innovation drives our business, so hiring highly skilled educated people is important.

**Policy Input:** We prefer that a student takes three years studying at college and 4<sup>th</sup> year interning with us, and 5<sup>th</sup> year finishing college to get the degree. We need industries to get more involved with universities. I do not have money to bring in someone that needs 6 months of training.

Q) *Albers:* how helpful would it be to “sell” Georgia.

Val: it will be critical. Sell it by painting a true picture..not lakes and so forth but it’s a city that was built by people for the people ... selling that there are VCs moving to Georgia would be a great selling point.

Q) *Monin:* Investors are aware of Georgia....but we need to create more buzz, or increase that buzz.

Val: we have lack of seed funding. We need local champions or local presence to help guide investors, we do not have early support for local startups. We will do marketing for you.

Q) Georgia is not participating in a public private partnerships. We need an ecosystem to support us.

State should get involved to support ATDC and help guide a strategic growth for the org to garden the startups/entrepreneurs.  
Opening up Pension fund.

Q)*Cassidy:* Can you talk about the process of technology transfer.

Val: was ok. PhD student worked as a intern and had his idea and now he works for us. We only take one students from on professor at Tech. machine learning... We need to start taking inventory of what we are good at.

### **Public Questions/comments**

- Role of angels has changed. In the past they invest in small, and matriculate to higher aid. Now venture capitalists are not investing as much so the angels are picking up the slack , so the angels are having to invest more...and not being available to take care of seed money and true seed stage process.
- We need to formalize the process and criteria for small companies for VC and seed stage money.
- Steve Justice (COI Aerospace): number 4 in aerospace exports in U.S. – we have more jobs than people to fill those jobs. We have same challenge like others: workforce. We need to help them professional educations –
- We need technology internships, professional short courses for professional to take along with their fulltime employment to keep up with latest technologies.
- IP rules in universities should be relaxed...so that more industries and universities can collaborated.

- Ron Bohlander: Ask the commission to create strong vision what this is about and create some focus...basics of what takes: education, capital, general ecosystems (having smart people wanting to be here).
- Pat: emphasize the importance of health IT, capital, policy supports growth, market Georgia, educated workforce, and
- public pension reform.

Next Meeting: August 16<sup>th</sup> 1-5.