

Scale-up Policy Work Team 4: Charter

Led by Mac Arthur Corporation and University of Akron

GOALS Identify strengths that can be leveraged and solutions to key barriers to accelerate and amplify the value of technology commercialization in the U.S. manufacturing sector and with a special focus on Small/Mid-sized Manufacturers (SMMs), including start-ups and mature enterprises.

SCOPE OF WORK Develop clear solutions for core manufacturing policy issues

- Investigate and propose specific solutions to the unique barriers that inhibit firms from adopting and scaling new technologies in the U.S.
- Identify the challenges and solutions to rapidly deploy new technologies and processes across the U.S. supply chain.

REPORT OF PROGRESS

- In addressing the scale-up challenge, the working team remains focused along four inter-related themes: Supply chain development, Technology diffusion, Capital sources/access, and Connectivity and transparency between partners
- Team continues to review relevant research and gain stakeholder input through AMP members, regional meetings, stakeholder discussions and open web survey.
- We are preparing a letter report with actionable policy recommendations, executing a pilot Market Insight project, and documenting design criteria for a qualified intermediary solution

Scale-up Policy Work Team 4: Progress Update

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REPORT OF PROGRESS CONTINUED

Preliminary emerging recommendation areas include:

- A. Expand Regional Qualified Intermediary Solutions - Expand, strengthen and increase awareness and productivity of Qualified Intermediary Solutions at the regional level to direct and connect SMMs to the range of diverse resources and financing for technology commercialization and scale up
- B. Affordable Market Insight at Scale - Increase and accelerate supply of affordable and accessible market insight to stimulate technology investment demand within the SMM base
- C. Technology de-risking and ease of adoption – Create industry-led testing standard to allow investors to know technology readiness and manufacturability level of a given start-up or technology; support the development of testing facilities to help start-ups demonstrate the readiness of their technology for commercial scale production
- E. Capital Access Solutions for Established SMMs
 - 1. Better Streamlining, Advertising and Coordination between Funding Sources Geared Toward Manufacturing – Specific opportunities: 38 federal programs geared toward manufacturers, Regional economic development programs, and Private Investors
 - 2. Highlight National Banks and Other Investors That Are Engaging with Manufacturers and Recruit Others. This could be facilitated by Qualified Intermediary Solutions and the National MEP network more broadly
 - 3. Create a Manufacturing Renaissance Tax Credit – Award tax credits similar to the New Market Tax Credit for investments in qualifying established SMM manufacturing expansion projects
- F. Capital Access Solutions for Start-Ups
 - 1. Public private investment funds –Provide loans or loan guarantees through a public private investment fund
 - 2. Tax incentives for scale-up investments – Award tax credits or tax incentives for investments in qualifying manufacturing scale-up projects
 - 3. Increase visibility for corporate strategic investors – Create better visibility into scale-up investment opportunities and technologies for interested corporate strategic and other large-scale investors, lowering their search cost
 - 4. Government procurement and demand – Leverage existing federal programs, to make scale-up investments for strategic technologies and provide access to long-term demand through, for example, multi-year purchase orders that could be capitalized by manufacturers looking to scale