

Date: Sept. 30, 2005

To: I-85 Corridor Alliance Board

From: Larry Fillmer, I-85 Corridor Alliance Executive Director
Ray Vaughan, Board Secretary

Subject: Sept. 29, 2005 Board Working Session Meeting Minutes

The I-85 Corridor Alliance Board Working Session for September was convened at 8:00 a.m. on Thursday, Sept. 29, 2005 at the NCAT in Auburn, Alabama. The attendees at the meeting were:

1. Al Cook – City of Opelika
2. Larry Fillmer – Auburn University, Development
3. Ray Vaughan – Wildlaw
4. Don Smith – City of Auburn
5. Yvonne Hardy – Auburn University, AETAP
6. Kristen McLendon – Auburn University-Montgomery
7. Dean Matheson – Interport/SDS
8. Deroald Hopkins – First Tuskegee Bank
9. Ralph Foster – Auburn University, Outreach
10. Margaret Bentley – Alabama Power
11. Al Griffin – Auburn University – NCAT
12. David Wilson – Auburn University, Outreach

Introduction:

Larry Fillmer opened the meeting. We appreciate again Al Giffin's hospitality at the NCAT. The balance of the meeting was spent providing brief updates on the major projects now being undertaken by the Alliance.

Officers Reports:

Deroald Hopkins welcomed everyone and talked about the Inaugural Innovation and Business Partnership Forum that was held September 15-17, 2005 in Auburn. The Forum was jointly sponsored by Auburn University (Outreach, Research and Development) the I-85 Corridor Alliance, Alabama Power, and the Cities of Auburn and Opelika.. He mentioned that specific discussions at the Forum should help the Alliance focus its efforts on innovation programs that will encourage businesses to consider our Region.

Al Cook reported that the Auburn-Opelika area was ranked #1 by Entrepreneur Magazine as the best place to start and grow a small business.

Scott Slocum provided a financial report that was covered by Larry. We have almost \$8,000 in the bank account. We received a \$5,000 donation from the City of Opelika. The City of Auburn and Alabama Power also pledged similar amounts to fund the Forum; other gifts gave us a \$30,000 budget for the event and allowed us to do it in a first-class way. Scott's financial report is attached to the meeting minutes.

Ray Vaughan reported that our 501(c) (3) status letter had not been received from the IRS. We are at the four month time frame that we expected to have the IRS ruling on our non-profit status. We expect the IRS approval shortly. Apparently, some processing delays are being experienced by other groups as well who expected to have their recognitions by now.

Follow up on Fall Innovation and Business Partnership Forum

The Forum was very successful. We had over 100 participants for dinner on Thursday evening and about 70 people participated in the Friday morning program.

Follow-up correspondence has been sent to all participants and thank you letters have been sent to all of the speakers and members of the Panel Discussion. We have advised all Forum participants that the Forum website: www.auburn.edu/partnershipforum will remain as a permanent communication vehicle. We have provided a feedback button on the website for information to be provided regarding what the participants liked/disliked about the event and suggested ways for improving future events. While this was the inaugural event, we will work to narrow the focus of next year's Forum. It was strongly suggested that we look at ways to engage the venture capital community as the primary audience for the next program.

Project Updates:

Larry gave an update on the Workforce Development Initiative (Manufacturing Minor for Non-Engineers). The program prototype is scheduled to start Spring Semester 2006 but requires some additional approvals from Auburn University. The Program has proposed a tuition differential for students to enter the program and Dr. Wilson is working with the Provost Office on that approval. A number of local manufacturers are interested and ready to provide support for the summer internships.

The National Business Aviation Association Trade Show has been moved from New Orleans to Orlando-Nov 9-11, 2005. The City of Auburn has provided funds to cover the additional booth space next to the Auburn-Opelika Airport booth. Larry indicated that the Alliance needed to decide who was going to take responsibility for the handling the logistics for the program, including putting the booth together and manning it; Larry is committed to be there part of the time, particularly on November 9th and 10th. Al said he

would be there and work the booth part of the time. Don may also be able to help. Al and Don will coordinate with Ralph, Megan and Valerie on the logistics.

Ray gave a report on the status of the proposed Expansion of I-85 to the Mississippi border. He also reported on a potential tourism/conservation initiative (a Black Belt Prairie National Grassland) that could be done in conjunction with the new interstate.

Cluster Updates:

Larry initiated a discussion on how we should look at the Alliance based on the participation levels and the participants who regularly come together to work on the Alliance. The cluster structure is mostly dormant at the present time, but we have been able to focus and accomplish specific program events. We need to discuss and review where we are, where we go from here and what the next steps should be.

Dean talked about the Business Services cluster. A year ago, there were 11-12 people actively involved in the cluster. The group now has four active participants. Their perception is that the Alliance is not developing as many thought it might; people are not sure what we do. The challenge for the cluster is to identify a specific program need. Dean suggested that it might be better to bring the four members into the larger group instead of trying to continue to function as a separate cluster.

Al suggested that the Executive Committee meet and begin discussions on where we go from this crossroad. Do we need to change the focus? Change the structure? Look at other ways to do things? The challenge for participants in this discussion is to come ready to make some hard decisions. David agreed that we need to focus and find the one or two things we can do well in this initial stage of the Alliance. How do you decide on these things and come to those decisions? That was the question that was posed during this part of the discussion.

Ralph pointed out that the clusters are organized around groups of assets. Perhaps we need to organize committees that work on projects that promote the assets instead of just focusing on the assets. The Forum, for example, highlighted assets across the cluster boundaries. A project orientation, focusing on what it takes to do projects that promote the assets in the area, might work better than having a divisional committee structure.

David talked about how the region may not be ready for the cluster concept. It may be better to focus on programmatic things that can allow clusters to develop later as people and companies are ready for it. Are there ways we can get companies into discussions with the universities and other organizations that can lead to and facilitate the support structure the various industrial sectors need? The development of an innovation center, available to enterprises along the Corridor, might help facilitate the kind of support that appears to be needed.

Deroald talked about how we answer the question of why would a company want to invest in this corridor. The environment is conducive for what? Innovation is the key,

but in what form and how is it promoted? Additional Forums may bring all the clusters together. It was expressed that a significant effort in the Region has to be placed on retention of existing enterprises. Servicing and enhancing the existing businesses will draw the attention of other businesses that may want to come here.

It was the consensus that a separate session is needed to review where we are today and how we move forward with the Alliance. The Innovation Forum may have shown us what unique opportunities we can provide this area -- focus around serving the existing businesses and provide opportunities for innovation for them while attracting the venture capital that will be needed to commercialize the research that is occurring in the Region. The establishment of an innovation center for the Region, which can provide access to research, maybe one solution.

It was agreed that a working session of the Executive Committee would be called for the purpose of assessing the current status and direction of the Alliance. It was also agreed that another working session of the entire I-85 Corridor Alliance Board would not be called until this Executive Committee session was completed and a recommendation formulated to bring to the entire Board. With David Wilson's concurrence, Gail Gauntt will schedule this meeting, preferably around a dinner.

There was no additional business covered at the meeting and the meeting was adjourned at 10:00 a.m.

Next meeting will be scheduled after the Executive Committed working session.