

Remarks of Council Chairman James Regan Massachusetts High Tech Council Annual Meeting February 16, 2010

Thank you, Chris.

I want to recognize our honored guest speakers. Boston Mayor Thomas Menino is with us this morning, as are four of the candidates for Governor: former Harvard Pilgrim Health Care CEO Charlie Baker, state Treasurer Tim Cahill, businessman Christy Mihos, and physician Jill Stein. We look forward to hearing from all of them in a few minutes.

Thank you to the Council's board of directors for providing me this honor. I look forward to working with Chris and his staff, along with Jeff and Martin and all the directors, to move the Council's agenda forward.

I want to recognize the contributions of my predecessor as chairman, Josh Boger, who helped guide the Council through a historically-challenging economic period.

We have a full agenda this morning, including an All-Star lineup of political figures that everyone is eager to hear from. But I wanted to provide a brief overview of the Council's public policy priorities this year and beyond – and how that agenda sets the Council apart from other organizations.

It is an exciting time for the Massachusetts High Tech Council, but also a challenging one. The national economic slowdown has not spared Massachusetts or its technology sector and, as a result, the budgets of state and local governments have been decimated. On the positive side, the Council recorded one of its most critical victories in its 33-year history – the passage of landmark education reform that will increase the number and impact of innovative schools and boost education opportunity for all Massachusetts students. Throw in a political world turned upside-down by Scott Brown's Senate victory – a political shockwave felt across the nation - and we should have a pretty interesting year.

So, why are we here? Why is the work of the Council so important? Even in the best of economic times, being a member of the Council is always more than just being a good corporate citizen. The Council is out front every day on issues that make Massachusetts more competitive for technology employers. These efforts directly impact the productivity and economic health of your business in a way that other groups, like those focused on networking or thought leadership, cannot. During a recession of the magnitude we are experiencing, the mission of the Council has never been more critical to the success of your business.

Two traits set the Council apart: decisive action and unwavering leadership. We base our agenda on the priorities of our technology CEO members. We then implement that agenda – collaboratively when we can, but also with the willingness to go it alone when necessary. I would like to briefly highlight four core areas of focus for the Council in 2010 and beyond. These four areas are: education policy, tax competitiveness, energy policy and efforts to strengthen the region's defense sector.

- **Education Policy.** In a few minutes, Chris will discuss the significant victory on the education front and the leadership from Mayor Menino and others that helped deliver innovation to a system that had been stagnant for nearly two decades. We still have a great deal of work ahead of us associated with implementing the innovation and turn-around tools in the new law, and we

welcome the leadership of Jeff Ray of Solidworks in this arena. We are also continuing our efforts to provide members with access to innovative resources to support talent recruitment strategies through **Talent Connect**, a partnership with ConnectEDU.

I want to build on one point on the Council's support for the charter school ballot question. This is the Council in a nutshell – the Council has the know-how and respectability to work inside the State House to get results for our members, but when necessary we have the vision and fortitude to take on the system from the outside. This balanced approach means our actions will always speak more loudly than our words, whether it's through leading ballot initiatives or by running MassTrack, the only online assessment system for state and local government.

- **The next issue is Tax Competitiveness – how do we provide Massachusetts employers and residents with a stable, predictable and competitive costs structure?** In 2009, the Council started developing a set of legislative recommendations around assessments of certain taxes that impact our innovation economy, including Research & Development, Capital Gains, and Unitary Tax. The Council is assembling a CEO-level member committee that will set the course for our leadership - and collaboration - in this effort. The goal of this initiative is strengthen our tax code to help break the recurring “boom and bust” budget cycle that leads to tax increases and service cuts in tough economic times.
- **Energy Policy is another area the Council will focus on, from both an economic and environmental standpoint.** Martin Madaus of Millipore will lead this multi-year effort to thrust the Council into a lead role in the development of a long-term energy and environmental framework for the state. This initiative will be modeled after the collaborative, public-private education reform effort, which was kick-started in 2006 by then-Council directors Ray Stata and Henri Termeer. A core team of Council members will begin framing the short- and long-term objectives immediately after today's Annual Meeting.
- **The Defense Technology Initiative has had some significant accomplishments in its post-BRAC success phase.** Led by Mike Lewis of BAE Systems, the Council's board will build on the ongoing activities of DTI, focusing on both the Natick and Hanscom Science and Technology boards that we worked with the bases to establish in recent years. DTI will also begin identifying other targeted projects that will help grow the region's defense sector as well as preparing for the next federal base closing campaign, expected in 2015.

As you can see, the Council has a very significant – but focused – agenda over the next few years. The mission, as always, remains: to help make Massachusetts the best place in the world to start, maintain and grow a technology business.

I will now step off the podium to listen to our distinguished group of political leaders.

Thank you again for providing me this unique and important honor of serving as chairman of the Massachusetts High Technology Council. I look forward to working with all of you over the next two years.