

# THE HIGH TECH AGENDA

## MASSACHUSETTS HIGHTECHNOLOGYCOUNCIL

*Dedicated to Growth... Committed to Action*

### CEO Roundtable features Baker Budget Chief Lepore

On May 28, the Council welcomed Massachusetts Secretary of Administration and Finance Kristen Lepore for a CEO Roundtable and a wide-ranging discussion of the Commonwealth's fiscal health and business environment. Lepore provided attendees with insights into the Baker Administration's overall fiscal approach and shared her



three overarching priorities: (1) putting the Commonwealth on a sound fiscal footing; (2) maintaining the Commonwealth's healthy bond rating; and (3) ensuring a predictable and stable business climate.

Several Council members praised the Secretary and Governor for addressing a combined FY15/FY16 budget gap of more than \$2.5B in a head-on manner with a focus on spending restraint and reductions. Members agreed with

the Secretary on the importance of preserving a robust "rainy day" fund to be used only in times of true economic contraction and applauded the Administration's decision not to tap the fund in FY16 and commitment to maintain a healthy balance in the critical reserve account.

Secretary Lepore noted Massachusetts' budgetary challenges are largely driven by excess state spending which is growing at an 8% annual rate compared with a 4% rate of growth in state revenues. The spending-focused approach of the Baker Administration can be contrasted with new tax-reliant plans in many other states. Governor Malloy of Connecticut, for example, recently announced plans to raise nearly \$2 billion in additional revenue by raising the income tax, increasing taxes on businesses and eliminating an existing plan to reduce the state sales tax.

"Praising the legislature for being a proactive partner in addressing the budget gaps promptly and responsibly, Secretary Lepore called out their swift action in support of the Baker Administration budgets as a significant factor in preserving the Commonwealth's high ratings."

Secretary Lepore also outlined a multi-pronged approach to improve the Commonwealth's regulatory environment. The Baker Administration has imposed an immediate freeze on new regulations, is conducting a review of each existing regulation, and has created strict review and approval processes for all future regulations. The administration will limit the approval of state regulations that unnecessarily exceed applicable federal standards and will require that promulgating agencies conduct a detailed analysis and publish a business impact statement for every proposed regulation. The Executive Office for Administration and Finance will play a key role in

### MISSION STATEMENT

The *High Tech Agenda* keeps the High Tech Council's members and partners up to date on its pro-growth advocacy concerning state and federal public policies and programs in support of its mission.

The goal of the Massachusetts High Technology Council is to help make Massachusetts the world's most attractive place in which to live and work, and in which to create, operate, and grow high technology businesses. Read our Mission Statement at [mhtc.org](http://mhtc.org).

### DATA THAT MATTERS

Massachusetts workers have the fifth longest commute times in the country. Visit the Council's dynamic [MATTERS database](#) to see the data that drives our tech economy.

**MATTERS**<sup>™</sup>  
MASSACHUSETTS TECHNOLOGY, TALENT,  
AND ECONOMIC REPORTING SYSTEM

### UPCOMING EVENTS

**New England Tech Vets and Home Base Program  
Veteran Hiring and Training Series**

**Topic: Invisible Wounds of War**

**June 12 –**

**12:00 PM to 2:00 PM**

**Location: Dassault Systèmes – Waltham, MA**

This no-cost training series for Council members and their human resources staff consists of 3 sessions – each featuring a presentation and training segment by the Home Base Program on a related topic, followed by a presentation of data and discussion including NETV program metrics; user experience; workplace best-practices; and development of our internship program with higher education partners. Members are welcome to attend one or more sessions. Seating may be limited in some venues. Click [here](#) to register.

shaping the Commonwealth's regulatory environment by coordinating the review of existing regulations and ensuring the current and future regulations reflect the Administration's core principle of ensuring sensible regulations that do not unnecessarily hamper economic growth.

## Council Members Engaged in Regulatory Reform Initiative

The Council continues to view Governor Baker's [comprehensive regulatory reform initiative](#) as a rare and high potential opportunity to enhance the Commonwealth's business climate by eliminating or modifying anti-growth regulations, many of which have been problematic for Massachusetts companies for years. By participating, Council members can help shape a key component of the policy landscape and business environment in Massachusetts.

To help identify opportunities to revise or eliminate existing regulations, the Council has scheduled the following subject matter-specific Regulatory Roundtables with key regulators that we encourage you to attend:

- **July 9** - Commissioner of the Department of Revenue Mark Nunnelly.  
Click [here](#) to register for the July 9 roundtable.
- **July 13** - Secretary of Labor and Workforce Development Ronald Walker.  
Click [here](#) to register for the July 13 roundtable.
- **July 22** - Secretary of Energy and Environmental Affairs Matthew Beaton.  
Click [here](#) to register for the July 22 roundtable.

In September, we will re-convene with Secretary Lepore to share the reform opportunities we have identified in these summer roundtables and discuss ways to move them forward.

## Council-backed MBTA Reforms Advancing

The Massachusetts' public transit system plays a critical role for many tech employers and their employees and its performance has even wider impacts across the region's transportation network. On May 22, the Council welcomed Braintree Mayor Joe Sullivan, a member of Governor Baker's Special Panel on the MBTA, to discuss the findings of the panel and thank the Council for its continued engagement in support of key provisions designed to reform the beleaguered system.

The Council is part of the broad-based business Coalition for a World Class Public Transit System and is actively engaged in its "Fix Our T" initiative. The Council has [testified in support](#) of the Governor's proposed MBTA reform legislation and has advocated for the reforms in meetings with legislative leaders this month.

Efforts to initiate structural reforms at the MBTA took an important step forward on May 21, with the inclusion of key Council-supported governance changes in the FY 2016 budget bill passed by the Senate. The Senate had recently proposed much narrower MBTA changes and Senate leaders continued to express strong resistance to several key reform provisions. But sustained advocacy from the Baker administration, pro-reform legislators, House leaders and a united coalition of business groups including the Council, helped advance the changes despite the early opposition.

Neither the House nor Senate has taken action on the Governor's MBTA legislation yet, but several of the bill's most important provisions, including a fiscal control board and temporary exemptions from laws that limit the MBTA's ability to embrace the most cost effective procurement practices, are included in the House and Senate budget bills, which will now be reconciled in a conference committee.

## UPCOMING EVENTS

**Small Technology Business Initiative Seminar Series:**  
**"You have a product ready to sell...Now what?" – Go to Market & Sales Decision Strategies**

June 23 –

**9:00 AM to 12:00 PM**

*Location: MHTC offices – Waltham, MA*

MHTC through its Small Technology Business Initiative (STBI) enables leaders of small technology business in Massachusetts to expand their network and increase their influence by connecting them with elected officials, public agencies, and leaders of technology businesses. This STBI seminar will feature keynote presentation "Go to Market Strategies" by John Cullinane, Founder of Cullinet Software Inc. along with marketing and sales discussions led by Tricia Wurts, President of Wurts Associates; Mike Myers, Managing Partner at RPG; and Shawn Devaney, SVP Sales at SolidWorks (Dassault).

This is a special opportunity to hear leaders of the Massachusetts innovation business community present successful strategies aimed at effectively assisting you in go to market and sales decision strategies. The event is free for MHTC members and \$25 for non-members. Please click [here](#) to reserve your seat.

**MHTC Cost Competitiveness Policy Team Meeting with Special Guest Commissioner Mark Nunnelly, Commissioner of the Department of Revenue and the Governor's Special Advisor for Technology and Innovation**

July 9 –

**10:00 AM to 12:00 PM**

*Location: MHTC offices – Waltham, MA*

Mark Nunnelly was previously a Managing Director at Bain Capital and has served as Commissioner of the Department of Revenue since March 30, 2015. Mr. Nunnelly also serves as special advisor to Governor Baker for technology and innovation competitiveness. In this capacity, he works with Governor Baker to improve the state's business climate for creating and growing businesses. Click [here](#) to register to attend and [here](#) to view Commissioner Nunnelly's biography.



The Council is confident that meaningful reforms that can fuel a turnaround at the MBTA will be adopted and effectively utilized if policymakers continue to focus on the system's most important stakeholders: the one million citizens who ride and

rely on it each day and the taxpayers across the state who help fund it.

We encourage member companies and individuals who support meaningful structural reform to the MBTA to sign the [Fix Our T Online Petition](#).

## Council Supports Trade Promotion Authority Legislation and Trans-Pacific Partnership

On May 22, the US Senate approved trade promotion authority legislation that will enhance the United States' ability to negotiate trade agreements and empower US trade negotiators to increase foreign market access for US goods and services. The debate will now move to the House of Representatives which is widely expected to take up the issue in early June. Trade promotion authority is critically important to ongoing efforts to craft a Trans-Pacific Partnership agreement that will foster trade among the US and 11 other nations in Asia and the Americas.

On May 28 the Council [wrote to House members](#) of the Massachusetts congressional delegation, urging them to support the Bipartisan Congressional Trade Priorities and Accountability Act of 2015 and consider the ways in which international trade significantly benefits Massachusetts businesses and our members. Nearly 1 million jobs in Massachusetts are reliant on international trade and an estimated 125,000 jobs are created as a result of Massachusetts exports. Exports from Massachusetts have increased by 25% over the last decade, and Massachusetts companies sold more than \$27 billion in goods to other countries last year.

Many of Massachusetts' leading industrial products are exported to nations that do not currently have trade agreements in place, including Japan, Malaysia, New Zealand, and Vietnam. In these countries, tariffs on certain products, including health and high-tech instruments, can be as high as 30 percent.

The Council believes the removal of barriers to trade expansion is essential for the United States to maintain its leadership in the global economy and is of vital importance to companies' ability to increase exports, expand and create jobs.

## Boston 2024



On May 21, Council board member Steve Pagliuca took the helm of the Boston 2024 Olympic bid organization as its new Chairman. Steve brings a deep knowledge of finance, operations and the economics of sport from his experience as Managing Director at Bain Capital, co-owner and Managing Partner of the Boston Celtics and prior service as co-chair of the Boston 2024 board's fundraising and finance committee. His leadership will serve the group well as it strives to deliver detailed plans for financing the games, including

the construction of required Olympic venues and housing, and seeks to allay growing concerns about the need for public expenditures.

## UPCOMING EVENTS

### MHTC Talent Development Policy Team Meeting with Special Guest Ronald Walker, Secretary of the Massachusetts Executive Office of Labor and Workforce Development

July 13 –

8:30 AM to 10:30 AM

Location: MHTC offices – Waltham, MA

Secretary Walker oversees a broad portfolio of state programs of key importance to employers including, unemployment insurance, worker's compensation and occupational health and safety. Secretary Walker is co-founder of Next Street Financial and previously served as vice president at Sovereign Bank. Click [here](#) to register to attend, and [here](#) to view Secretary Walker's complete biography.

### MHTC Cost Competitiveness Policy Team Meeting with Special Guest Matt Beaton, Secretary of the Massachusetts Executive Office of Energy and Environmental Affairs

July 22 –

12:00 PM to 1:30 PM

Location: MHTC offices – Waltham, MA

Secretary Beaton is a key player in the Baker Administration's efforts to manage the state's energy challenges including increasing cost and demand. Secretary Beaton previously served as a State Representative from Shrewsbury and owner of Beaton Kane Construction. Click [here](#) to register to attend, and [here](#) to view Secretary Beaton's complete biography.

### The 2015 Run to Home Base

July 25 -

All day event

Location: Please visit [Run to Home Base](#) for details

The 2015 Run to Home Base presented by New Balance is a 9K run and 2 mile walk fundraising event scheduled for July 25, 2015. All funds raised benefit the Red Sox Foundation and Mass. General Hospital Home Base Program. Home Base is dedicated to healing the invisible wounds of war for post 9/11 veterans and their families.

The Run through scenic Boston ends with the unforgettable experience of finishing the race by literally crossing home plate at historic Fenway Park. Friends and family can watch you from the stands at Fenway - America's Most Beloved Ballpark - with food, entertainment and fun family activities. Tailored sponsorship opportunities are available. Please contact [Paula Goldfarb](#) at the Home Base Program to learn more.

## Small Technology Business Initiative

Through its Small Technology Business Initiative (STBI) the Council enables leaders of small technology businesses in Massachusetts to expand their network and increase their influence by connecting them with elected officials, public agencies, and leaders of technology businesses. STBI's next event is a special opportunity to hear leaders from the Massachusetts innovation business community present successful strategies aimed to assist growing companies in going to market and making sales decision strategies.

Entitled **"You Have a Product Ready to Sell... Now What?"**, the event features **John J. Cullinane**, the founder of **Cullinet Software Inc.** John has a long history of success pioneering the packaged software industry and leading a dynamic organization in competition against existing industry giants to a series of historic "firsts." Cullinet was the computer industry's first financially successful software products company, the first software company to be listed on the NYSE, the first to reach a \$1 billion valuation, and the first to market an integrated database software product to compete with IBM. John will share **"Go to Market Strategies"** including:

- Defining a Market
- Sales vs. Marketing
- Segmentation
- Differentiation
- Targeting and Positioning
- Creating a Competitive Advantage

**Tricia Wurts** founder of **Wurts & Associates**, which has performed projects for over 100 industry-leading IT clients, will conduct an interactive discussion on: **"Technology's Indirect Sales Channels - Selling Technology to the World."** Tricia will also present a set of models to help you better understand indirect channels in today's world of technology and key attributes required to build successful channel relationships.

**Mike Myers**, Managing Partner of **RPG** and **Shawn Devaney**, SVP Sales of **SolidWorks (Dassault)**, will present: **"Using a Playbook for Driving Accountability and Predictability with your Sales Force."** This forum will focus on how to build a playbook and drive a culture of accountability with your sales force. The event is free for MHTC members and \$25 for non-members. Please click [here](#) to reserve your seat.

## Member Benefit Spotlight

The Council's workers' compensation self-insurance group continues to provide valuable cost savings for members and protection for their employees. We are pleased to report that 2014 was another great year. Member companies achieved one of the safest years on record with just a 14% loss ratio, and net income at year-end was \$395,000 making 2014 one of the group's most successful in its 20-year history.

The successful management of the group is evidenced by growth in dividends payable to policyholders to a very healthy \$855,000, more than one year's annual aggregate premiums.

Participating member companies will receive a portion of a \$268,000 surplus at the group's annual meeting in June. Dividends are allocated to participants according to a formula that rewards those members whose safety performance helps generate the surplus. For 2014, participating companies are receiving payments equal to at least 20% of their 2014 premiums paid with some members receiving as much as 83%.

For more information on how to become a member of the Mass. High Tech Self Insurance Group contact Ron Trznadel at [ron@mhtc.org](mailto:ron@mhtc.org)

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