



99 High Street
Boston, MA 02110

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Main: 617-330-2000
Fax: 617-330-2001

massdevelopment.com

Michael D. Hurley
Senate Clerk
24 Beacon Street
Room 335 – State House
Boston, MA 02133

Mr. Steven T. James
House Clerk
24 Beacon Street
Room 145 – State House
Boston, MA 02133

Dear Sirs:

Charles D. Baker
Governor

Karyn E. Polito
Lieutenant Governor

Mike Kennealy
Chairman

Lauren A. Liss
President and CEO

The Massachusetts Development Finance Agency (MassDevelopment) is pleased to submit this eighth annual report of the Advanced Manufacturing Futures Program (AMFP) as required by Chapter 238 of the Acts of 2012, An Act Relative to Infrastructure Investment, Enhanced Competitiveness and Economic Growth in the Commonwealth. The attached document details activities undertaken in fiscal year 2019 by the AMFP.

In 2013, MassDevelopment received \$9,375,000 of an expected \$18.5 million from the Commonwealth's fiscal year 2014 budget to capitalize the AMFP. MassDevelopment developed and managed the program in consultation with the Secretary of the Executive Office of Housing and Economic Development, the Advanced Manufacturing Collaborative, and other industry leaders. The program's initiatives capitalized on MassDevelopment's experience working with manufacturing companies across the state.

The initial capitalization from the Commonwealth allowed the AMFP to facilitate the development and competitiveness of Massachusetts manufacturers through grants, contracts, and loans. This assistance has been vital to the development of manufacturing innovation – leading to job creation and growth across Massachusetts. Remaining funds total \$3,617 and if there are no new appropriations, there will be no additional activity to report after this year.

Sincerely,

A handwritten signature in cursive script that reads "Lauren A. Liss".

Lauren A. Liss
President and CEO

Advanced Manufacturing Futures Program Fiscal Year 2019 Activities

Berkshire Innovation Center (BIC) – In February 2018, the AMFP provided a grant of \$450,000 to the Berkshire Innovation Center, a nonprofit created to promote and accelerate the innovation and growth of existing life science supply chain and advanced manufacturing companies in western Massachusetts. The grant was awarded to support the BIC’s development and start-up expenses. BIC will occupy a custom 20,000-square-foot facility in Pittsfield and they are expected to be operational in January 2020 at which time they would be eligible to access the balance of \$350,000 for any operating losses.

Massachusetts Manufacturing Accelerator Network (MMAN) – In December 2016, the AMFP provided \$300,000 to UMass Lowell Innovation Hub, UMass Dartmouth Center for Innovation & Entrepreneurship, and UMass Amherst Innovation Institute to fund the first year of a multi-year rollout of the Manufacturing Accelerator. This network helps bring small or medium enterprise (SME) manufacturers back to the start-up mindset to discover new ways they can do business. The last disbursement of \$30,000 is expected to be disbursed by December 31, 2019.

Massachusetts Manufacturing Energy Collaborative (MassMEC) – In March 2014, MassDevelopment announced the formation of MassMEC, a group-purchasing program that enables manufacturers and other businesses to obtain electricity and natural gas at volume discounts. The ongoing initiative continues to help lower energy costs for commercial, industrial, and municipal entities and has grown its membership to 207 companies. Fiscal year 2019 saw an increase in applications for the SMART (Solar Massachusetts Renewable Target) program. This new program offers valuable financial incentives for business owners who go solar.

Massachusetts Manufacturing Extension Partnership, Inc. – An AMFP grant in the amount of \$1,394,410 was approved for match funding needed to secure federal funds to help Massachusetts manufacturers meet the challenges of competing in an ever-changing economy. MassMEP estimated that it would engage 700 manufacturing firms in fiscal year 2019 alone – helping with infrastructure and process improvements, quality management, ISO collaboration, employee training, and more.

MassRobotics – A grant of up to \$100,000 from the AMFP was approved for MassRobotics, Inc. With this funding, MassRobotics hopes to increase capacity at its current location to meet the demand for shared workspace and resources. The additional leased space would include private offices; open shared lab, prototyping and test space; a machine shop with 3D printers; laser cutters and other tools; and dedicated labs for manufacturing robots and university-supported research.

MAManufacturing.com – This website was created to be a resource for the Commonwealth’s manufacturing industry. The one-stop site connects Massachusetts manufacturers to resources that will help grow their businesses, including financing solutions, business support and assistance, workforce development and training, and manufacturing news and events. MassDevelopment continues to maintain and update this site. During fiscal year 2019, the site had 5,251 visitors, 10,809 page views, and 30 events posted.

Manufacturing Month – Governor Baker once again proclaimed October as “Manufacturing Month” in Massachusetts. MassDevelopment staff members participated in events, tours, discussions, and open houses across the Commonwealth to help promote the industry.

Advanced Manufacturing Collaborative (AMC) – The AMC met recently on December 4, 2019. At this meeting, the Executive Office of Housing and Economic Development highlighted the importance of

manufacturing providing pathways to economic prosperity for residents at varied educational levels; regional manufacturing clusters helping to anchor local economies; the industry becoming increasingly reliant on advanced and emerging technologies – a trend playing to the Commonwealth’s strengths; and local manufacturing capacity helping new innovators bring products to market more quickly allowing for company growth.

The AMC established four working groups covering key focus areas of expansion and improvement: Talent/Workforce & Branding; Business Environment; Innovation Ecosystems; and One Stop Communications. A quarterly meeting schedule for 2020 was also confirmed.