



Testimony of Vanessa Wagner
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Before The Committee on Small Business
Communities That Think Small and Win Big
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I would like to begin by thanking the Congressional Small Business Committee for inviting me to testify today, on behalf of Loudoun County Economic Development, to share my thoughts on utilizing a community's assets to support entrepreneurs.

As the Small Business and Entrepreneurship Manager for Loudoun County I am incredibly fortunate for the advantages we have to attract and grow business in Loudoun. I am also proud of the strategies used by our small business partners to leverage these to create a strong entrepreneurial ecosystem, particularly for technology firms.

In Loudoun County, VA I focus on supporting small businesses by growing the entrepreneurial ecosystem. In summary, my role is to ensure that entrepreneurs have the right mix of programs, places, and people to help them succeed. I have an emphasis on technology-enabled business, but my work also helps to support our main street entrepreneurs.

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It is easy for stakeholders to get excited about the latest trend or buzzwords in entrepreneurship- coworking spaces, accelerators, venture funding. It is tempting to jump at the opportunity to support these trends; however, I caution anyone charged with entrepreneurship, to start by evaluating your existing resources. Building an ecosystem around your community's unique advantages will prove more sustainable and impactful than placing a trend in the middle of your city.

When I began my role in Loudoun I admit, that I was eager to hit all of the buzzwords. I invested a lot of time chasing pitch events for my county, connecting with every accelerator in town and supporting anyone that described their office as a co-working facility. What I learned is that our county already had most of the things it needed to build an ecosystem. I learned that my role is not to bring every trend to Loudoun County. To be successful in my role, I must seek to identify our existing resources and put them to work for our entrepreneurs.

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Using Business to Build Business

One of the most important assets you have in building an entrepreneurial ecosystem is the businesses already there. The companies in your city provide the experience and talent to build the next generation of businesses.

Identifying the resources created by the legacy businesses and growing firms can prove fruitful when outlining your entrepreneurial strategy.

The Impact of Legacy Businesses

In Loudoun County and the region, one of the most impactful organizations remains America Online, AOL. From 1994 through its growth into the 21st century AOL had a giant impact in our region. AOL not only developed the region's technology workforce, but also the spirit of innovation. When AOL moved its headquarters to New York from Dulles in 2007 its legacy continued to have an impact on our region. Not only did AOL leave a wake of tech talent behind for other employers, but many of their executives became founders, angel and institutional investors for the next generation.

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Even after the presence of AOL in our region slowed down, the company continued to have a major impact on our startup scene. In 2012 to encourage creativity in its workplace AOL launched Fishbowl Labs, an incubator housed inside of its Dulles location. Fishbowl Labs startup-residents were able to use the facility, and available human resources, inside of AOL to add value to their startup. Today our region is benefiting from the results of these efforts with a new wave of startups tied to AOL Fishbowl Labs including MilAdvisor, ThreatQuotient, ParkMyCloud, X-Mode Social and others.

As the Entrepreneurship Manager in Loudoun, I didn't seek to change what was working from this system. Rather, my role was to promote this opportunity by introducing the right startups for consideration. This could be as simple as an introduction to the Labs, or by sponsoring events to take place inside of the facility. All good things must come to an end, and when AOL was re-branded to Oath and Fishbowl restructured, I had a solid relationship with the companies inside of the incubator. These relationships helped me identify a location just a few doors down to help them continue growing in Loudoun County under the support of another serial entrepreneur. When X Mode Social moved out of the Fishbowl Labs to Terminal 68, they were a team of 10. When I visited again a few short months later, the team was 40 strong and working on their new product line.

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All Ships Rise with the Tide

Relying only on the largest employers is providing a disservice to your entrepreneurs.

Facilitating introductions and relationships to your growing companies and early-stage entrepreneurs should be included in your strategy. Loudoun's small business partners leverage growing firms such as Omnilert, Cofense, Telos, K2M, and others. The advantage to working with this new cohort of technology firms is that they can provide recent examples of challenges and solutions faced in building their business. Our growth firms are invested in the overall growth of our region to support their business. After all, all ships rise with the tide.

A community can seek to find unique ways to promote these relationships and understand that each firm may find value in a different approach. One method used in Loudoun County is working with various committees and small business partners to encourage these relationships.

One committee that has provided a natural fit for this is the Loudoun Chamber's Technology Coalition. The coalition seeks support through sponsorship and engagement of the sponsors, including Telos Corporation. Telos Corporation was recently recognized in the Top 5

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cybersecurity firms in the United States. The sponsorship provided by Telos not only provides the resources required for the Coalition to host meetings and events, but the Coalition's leadership works to engage Telos.

In just this past week Telos graciously extended members of their executive team to address a room filled with early-stage technology firms meeting for the Technology Coalition. The executive leaders shared their morning to discuss trends in the cyber security industry and their personal views on the topic. More so, each Telos member stayed well past the allotted speaking engagement to answer questions, continue the discussion and exchange contact information. The results of this meeting may not be known yet, but I am confident that through last week's meeting and future engagements a trickle-down effect will be observed by the success of our early-stage firms.

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In Conclusion

Entrepreneurship catalysts need not look much further than their region's existing businesses when seeking to identify strong assets for mentorship, experience, and support.

My testimony focuses on examples related to technology-enabled firms; however, I could easily share how the practice of working with our community's businesses has helped our rural economy, craft beverage industry, and many others.

One size does not fit all for entrepreneurship. A community should be aware of outside opportunities to support their entrepreneurs; however, no ecosystem building should ignore the existing resources available within your business community. Identifying these assets, and creating forums to share their experience and resources should be a foundation of your overall strategy.

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