

12/11/15

Dear Diana,

As I said over the phone, the Cape Cod Chamber of Commerce was able to obtain a deadline extension on the town letters of support. We still need the letters before the end of the year, but this gives us a little more breathing room. We appreciate you putting the letter on the agenda for Wednesday's Board of Selectmen meeting given this new time frame.

I am enclosing:

1. A one page summary of the Blue Economy initiative
2. A copy of more detailed text from the grant application
3. Two press articles from the past year.
4. A draft letter of support to be used by the BOS

While this began as a Cape centered movement it is rapidly expanded to a regional initiative. Certainly, the sustainable tourism piece, has always been a regional role of the chamber. In the coming months, we are hoping to set up several different types of gatherings in the region, including: listening sessions, brainstorming/ideation sessions as well as informal meetups. We are excited about the possibilities that this idea brings in support of a healthy and sustainable region for future generations.

Should you have any questions, please feel free to contact Wendy Northcross at 508-362-8610 or Chris Adams 508-362-3225 x525 at the Chamber, whom I am copying.

We very much appreciate your help in this time-sensitive matter.

Sincerely,

Stef

Stefanie S. Coxe, Principal
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The Intersection of Profit & Social Good
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The Blue Economy

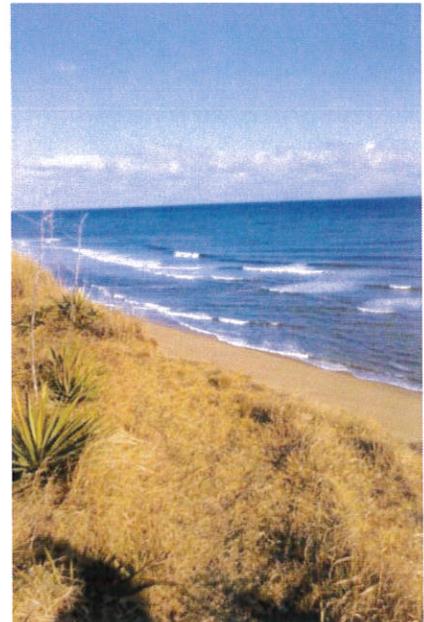
A sustainable future for Cape Cod

Endowed with 559.6 miles of coastline, 51,758 acres of protected conservation and recreation lands, world renown marine technology and research organizations, and a reputation as an internationally known coastal vacation choice, Cape Cod is truly a maritime centered destination in which to live, work play, and create.

For the better part of a century, Cape Cod has had a tourism/retirement centered economic plan that leverages its unique and immense natural resources, as well as its geographic position near population centers in the Northeast megalopolis – the most heavily urbanized region in the country (49 million), Western Europe and eastern Canada. While this strategy has been successful in establishing Cape Cod as a world-class leisure destination, it fails to embrace many other facets of the region’s economy that have grown around the Cape’s core attribute – its water related resources.

Launched in 2015, The Blue Economy is a long range plan to promote and sustain a marine centered live-work-play economy in the Cape Cod region that builds on existing sustainable tourism efforts, our world renowned marine research community and technology cluster. It also aims for full inclusion with existing economic and environmental planning efforts in the region.

The Blue Economy will help ensure that Cape Cod is a sustainable, vibrant and desirable place to live-work-play and create. Its mission is to leverage Cape Cod’s water based assets and entrepreneurial spirit to ensure a more stable, sustainable and vibrant economy.



“We are tied to the ocean. And when we go back to the sea, whether it is to sail or to watch it, we are going back from whence we came”. – Pres. John F. Kennedy

(The following is an excerpt from the Cape Cod Chamber, 2016 REDO)

1. Regional Economic Assets and Strategic Planning

Assets

Endowed with 559.6 miles of coastline, 51,758 acres of protected conservation and recreation lands, world renown marine technology and research organizations, and a reputation as an internationally known coastal vacation choice, Cape Cod is truly a maritime centered destination in which to live, work play, and create. For the better part of a century, Cape Cod has had a tourism/retirement/entrepreneur centered economy that leverages its unique and immense natural resources, as well as its geographic position near population centers in the Northeast megalopolis – the most heavily urbanized region in the country (55.9 million), as well as Western Europe and Eastern Canada. While this strategy has been successful in establishing Cape Cod as a world-class leisure destination, it fails to embrace many other facets of the region’s economy that have grown around the Cape’s core attribute – its water related resources.

Strategic Planning: A Blue Economy

The unintended consequences of a tourism focused economy over the past century include: the need for a peak-season workforce of 20,000 to supplement the 144,000 year round jobs, a lack of diversified industries offering a range of employment, a significant second homeowner population and traditional single family homes that increase property values, with few market rate rental opportunities for the workforce. As a result, we have witnessed a significant out-migration of young families. This current condition is unsustainable in the long term. It requires innovative and forward thinking on how to ensure a sustainable future for the region, and the partners have consistently led the way in tackling the multiple issues that can insure our success in the future.

Launched in 2015, The Blue Economy is a long term vision to promote and sustain a marine centered live-work-play economy in the region, that builds on existing sustainable tourism efforts, our world renowned marine research community, our higher educational institutions - including one of only six State Maritime Academies (SMA’s) in the U.S., a long local history of entrepreneurship that extends to the innovative work of WHOI, growth potential in the marine technology space, and integration with ongoing regional planning efforts. The Blue Economy will help to ensure that the region is a sustainable, vibrant and desirable place to live-work-play and create.

This initiative will advance the region’s maritime economy and bring increased, consistent and sustainable prosperity to the Cape and Islands by leveraging its natural coastal resources and the innovative ideas of the local community and existing marine related industries to increase the number of businesses and jobs in the Cape and Islands region which are less dependent on the seasonal tourism economy. Through strategic partnering, we will insure that the Blue Economy initiative is integrated into regional planning processes and guidance documents such as the County’s Regional Policy Plan, Comprehensive Economic Development Strategy, and Regional Transportation Plan by working with regional planning officials around Buzzards Bay, Cape Cod Bay and Nantucket Sound. This work has already begun with Martha’s Vineyard, Bristol & Plymouth Counties.

2. Regional initiatives and Strategic Partners

Overall Goals and Anticipated Impact

We have established the following goals for our Blue Economy initiative.

1. **Leverage Existing Assets to Create New Opportunities:** We will leverage our existing water based assets to attract and capture future opportunities in the water sector and related blue industries. This

will include enhancing the existing regional marine technology and innovation cluster based on Cape Cod that forms the underpinning of a Blue Economy. We can accomplish this goal in part by fostering communication and coordination of the various constituencies in the region and increasing their level of engagement and awareness.

2. **Maintain and Expand Responsible Tourism Leadership Position:** Through an examination of proven responsible tourism projects and programs, we will maintain our standing as a world class travel destination with sustainable tourism-based initiatives that promote the uniqueness of the region through our natural and cultural assets.

Our work will have a measurable economic impact and establish a strong network that will plan and produce these regional initiatives:

1. Develop specific recommendations to support and enhance the existing blue tech innovation cluster goal (above), as well as articulate the resources required to create a pipeline that brings innovative ideas from the region to market.
2. Develop recommendations to support the sustainable tourism goal (above), including addressing workforce issues critical to this sector.
3. Integrate the Blue Economy concept into regional planning processes and guidance documents such as the Regional Policy Plan (up for reauthorization in 2016), Comprehensive Economic Development Strategy (annual report to Dept. of Commerce), and Regional Transportation Plan (annual update) by working with regional planning officials.
4. Serve as a basis for applications to the SBA Regional Innovation Cluster Initiative in 2016/2017, as well as the EDA Regional Innovation Strategies i6 Challenge grants program. Through these two sources, as well as in-kind and financial resources funded by the community partners, we seek to create a sustainable structure able to provide resources to create thriving businesses and, by extension, jobs within the Cape Cod and Islands region.

Outcomes

The long-term outcomes of this initiative are:

1. Decrease the reliance on the seasonal tourism industry, thus reducing variability of revenue to local employers.
2. Increase the number of successful startups in the region.
3. Increase the number of skilled jobs in the region.
4. Create regional economic growth around an existing set of well-established industries.
5. Support a sustainable region, both economically and environmentally.

Strategic Partners

As part of our commitment to the region, we have and will continue to engage the various constituencies that make up the Blue Economy. These constituencies include towns such as the Gateway City of Barnstable, regional Barnstable County planning agencies, private businesses, interested citizens, educational institutions and research institutions. We have formed a steering committee that includes representatives from these various constituencies and expect this committee to expand.

Brian Braginton- Smith, Lewis Bay Research Center
Eliza Cox, Nutter McLennan & Fish
Rich Delaney, Center for Coastal Studies
Mark Forest, The Delahunt Group
Jon Hagenstein, Gillmore Marine
James Hobbs, Graylyn Associates
Bert Jackson, Cape Cod Technology Council
Stephen Johnston, OpenCape
Maria Marasco, Massachusetts Office of Business Development
Michael Murphy, Massachusetts Clean Energy Center
Richard Neitz, Neitz Realty
Wendy Northcross, Cape Cod Chamber of Commerce
Rob O'Leary, Massachusetts Maritime Academy

John Pappalardo, Cape Cod Commercial Fisherman's Alliance
James Penn, Puritan Clothing Company
Mahesh Ramachandran, Cape Cod Commission Environmental Economist
Sallie Riggs, Bourne Financial Development Corp.
Charles Ritch, National Graduate School
Warren Rutherford, The Executive Suite
Tobias Stapleton, UMASS-Dartmouth, Ctr. for Innovation & Entrepreneurship
Jill Talladay, CARE for the Cape & Islands
Bert Talerman, Cape Cod Five
Judith Underwood, B2G Energy
Scott Vandersall, Cape Cod Five
Anne Van Vleck, Cape Cod Young Professionals
Mark Watson, Keel Asset Management
Dan Wolf, Massachusetts State Senator

To further develop this partnership and maximize the expertise from a wide range of resources, we are expanding the work of our entrepreneur in residence, specifically focused on work with WHOI and the innovative technology, as well as adding a highly skilled program manager and intern(s) to support socioeconomic research, data collection and interpretation, and expand community engagement activities including regional informational and listening sessions with MOBD staff, ideation sessions, print and radio interactions, production and dissemination of informational materials including handouts, websites, social media outlets. We will also create and support Blue Economy themed events such as Startup Weekend as well as produce a white paper that includes an actionable plan for implementing the Blue Economy in the region.

3. Retain, Expand, and Attract Businesses

This will be done through supporting blue entrepreneurship, Startup Weekend Blue, and facilitating company introductions to MOBD.

Blue Entrepreneurship

As we have done since the summer of 2014, we will continue to partner with Woods Hole Oceanographic Institution (WHOI) on building their entrepreneurial ecosystem. We will meet monthly with their Office of Technology Transfer (OTT) and members of the OTT advisory council. This group aligns the pipeline of discovery, transitional research and commercialization with business resources available in the region. Specifically, we have worked to provide direct support of WHOI concepts, startups and spinoffs and will continue to do so, both in the form of one on one consulting regarding the validation of business models as well as pairing regional entrepreneurs with WHOI scientists. This arrangement provides a unique lens on the marine and water technology industry cluster on the Cape. Our entrepreneur in residence will be partially funded for this work through the grant.

Startup Weekend Blue

For a number of years, we have sponsored Entrepreneurs Weekend and more recently Startup Weekend, a program of TechStars. Startup Weekend is a 54-hour event, which helps educate, support, and empower people to become entrepreneurs. This year Startup Weekend is a special “themed” event. We will be focusing on Blue Economy type businesses, marine science and technology and other water related concepts. The event is currently scheduled for April 1, 2, 3rd 2016. In addition, we plan on holding a number of community listening and engaging events leading up to the Startup Weekend Event. We held one of these sessions on November 5th 2015 and had 25 participants at the session. Our counterparts on Martha’s Vineyard have asked us to hold at least one of these sessions on Martha’s Vineyard in February of 2016. As part of this year’s REDO grant to support the event and the coordination required, we plan on being a major sponsor of the event.

With the local MOBD officer on our steering committee, we will work to ensure that she will be invited to company meetings, as well as larger forums.

4. Workforce Development

We are partnering with the Workforce Investment Board and Cape Cod Community College to align the needs of Blue Economy employers with the available and emerging workforce. By understanding the needs of the employers and the skills gaps that exist, we will work with the College to close the gap by designing specific programs to train the workforce.

We will also engage employers on workforce issues through an employer forum focused on sustainable wages. Our region has a high concentration of small business ownership/entrepreneurism due to our geography and the lack of large employers. Nearly one in four Cape businesses fall into the category of “self-employed.” The isolated geography here forces entrepreneurship. This necessitates educational and support services that will foster employment, and allow existing businesses to grow and pay living wages. We plan on convening business leaders from around the region to discuss strategies to close the wage gap and work to create jobs that pay a living wage. This forum will meet a dual goal of both retaining employees as well as retaining employers that want to stay in the region.

5. Regional Collaboration

Over the coming months we will convene our steering committee on a monthly basis to help guide our planning activities and assist us in meeting our milestones. In this, we will document regional best practices and increase partner collaboration around issues both in the Blue Economy cluster and in the larger small business arena. Our objectives for regional forums for the Blue Economy will be shaped by the steering committee, with objectives for the broader small business community informed by the Economic Development Pillar of the Cape Cod Chamber of Commerce.

6. Regional Marketing and Communication

We have launched a website that outlines the strengths of the region as it relates to new residents that are choosing to Live, Work, Play and Create on Cape Cod. The site provides a central location for available business resources, including sites and services, with a calendar of events and shared information garnered from the regional forums: <http://www.whycapcod.org/work>. We have also installed billboard style ads at Logan International Airport promoting this site, and have run continuous social media contests to promote the site. We are always willing to working with MOBD and MMP on any other marketing strategies that are available to us. In addition, this site will serve as the home to the Blue Economy initiative. We have begun to collect and organize and publish Blue Economy related information at <http://www.WhyCapeCod.org/BlueEconomy>. This page will be expanded to highlight regional events, major forums and groundbreaking and other Blue Economy events. Part of the REDO funds will be used to create and maintain the resources on this site.

By Wendy Northcross

Print Page

September 07, 2015 2:00AM

Cape already transitioning to a 'Blue Economy'

This is in response to an article in the Cape Cod Times ("Business dean: Cape needs to change to survive", Aug. 26, Page 1).

Dr. Elmore Alexander is 100 percent correct: To ensure a sustainable future, the Cape does need to change. However, the transformation has already begun. This is how:

Over the past few hundred years the Cape has undergone a series of economic eras and transitions, from fishing and agriculture to shipbuilding and whaling, and then tourism in the modern era.

For the better part of a century, Cape Cod thrived with a tourism/retirement-centered economy that leveraged its unique and immense natural resources with a geographic position near population centers in the Northeast megalopolis -- the most heavily urbanized region in the country (49 million people).

This strategy brought the Cape back from the brink of a resource failure-based, economic collapse at the end of the 19th century and has been successful in establishing Cape Cod as a world-class travel destination.

The Cape is now undergoing yet another transition as the region moves to supplement its destination economy with one that leverages its 559.6 miles of coastline, world-class research institutions, its quality of life and entrepreneurial spirit to build a sustainable future with private and public sector partners, based on what we are calling a "Blue Economy."

The Blue Economy is a broad descriptor that recognizes the vast role that water, both salt and fresh, plays in our everyday lives from economic, sociological, as well as physical and human geographic perspectives. It is understanding our relationship with the water resources surrounding us, how we interact, and finding a sustainable and symbiotic course for the future.

We believe that a core set of principles of a balanced economy, environmental stewardship and quality of life will provide a sustainable future for Cape Cod. We do this by maintaining our standing as a world-class travel destination with messaging that promotes all of the benefits of not only visiting Cape Cod, but embraces it as a desirable place to live, work, play and create.

With this secure foundation, we can leverage our existing water-based economy to attract and capture future opportunities in the water sector and related industries. We have on our shores what is arguably the premier ocean science and research community on the globe. Through the Blue Economy, we will work with this community of scientists to bring their innovations into the growing blue-tech business sector locally through innovative technology transfer partnerships with entrepreneurs.

Our Capewide challenge in confronting wastewater issues presents one of our greatest opportunities to be leaders in the burgeoning alternative wastewater solutions sector. As Dr. Elmore mentioned, AquaGen, a local algae-based water treatment technology, is leading the charge on this front.

Aquaculture Research Corp. in Dennis will combine a working business with the Living Lab concept, by educating young and old alike on aquaculture farming practices and disease resistance research while at the same time supporting the foundation of the region's shellfish aquaculture sector.

We are also working with our region's professional planners at the Cape Cod Commission to streamline the permitting process for blue-tech companies to get up and running quickly, and to update the Regional Policy Plan and the Comprehensive Economic Development Strategy to reflect the importance of Blue Economy activities.

Over the coming months and years you will see results of this vision. We are planning a Startup Weekend in November focused on the Blue Economy to bring thinkers and doers together to conceptualize, validate and start new companies targeting the largest opportunities presented by the Blue Economy. We are in the planning phases of a venture fund focused on investing in Blue companies to incubate and accelerate their formation and growth with innovative company building curriculum and programming. Next spring we will bring the region together at the SmarterCape Summit 6 to develop the next phase of the Blue Economy.

We love Cape Cod, and believe it is a great place to live, work, play and create and are committed to work passionately with others to ensure a successful, thriving and sustainable Cape Cod. Stay tuned, it is an exciting blue future.

Wendy Northcross is CEO of the Cape Cod Chamber of Commerce.

By Lorelei Stevens
lstevens@capecodonline.com

July 07, 2015 2:01AM

Seeing the Cape's future in shades of blue

WOODS HOLE – Building a pathway to move great ideas from inception to market is a primary goal of the inaugural Marine Robotics Entrepreneurship Forum later this month.

Sponsored by the Woods Hole Oceanographic Institution, the forum on July 23 and 24 will bring marine-research startup principals together with venture capital investors and representatives of established companies such as Raytheon and Lockheed.

“This is an exciting time,” said forum organizer James Bellingham, director of WHOI’s Center for Marine Robotics. “The technologies are getting mature enough that the market is willing to spend money on them. This intersection of capability and opportunity is very fertile ground.”

The ideas and relationships that come out of the gathering also could help spur the evolution of what community and business leaders are beginning to call the “blue economy,” where marine-related startups provide new job opportunities and help diversify the Cape’s business base.

The world of marine robotics includes research, support systems and software used to create underwater remotely controlled vehicles operated from the surface by technicians, autonomous underwater vehicles that operate independently and hybrids with both capabilities.

These devices are used by scientists to study the marine environment, the oil and gas industry for exploration and monitoring, government and private companies to ensure the structural integrity and security of underwater structures, the defense industry and others.

And this area, particularly around Boston, the South Coast and the Cape, is where much of the world’s marine robotics work is done.

“If you use an AUV, odds are it was built on Cape Cod or in Southeastern Massachusetts,” Bellingham said. “We really do, as a region, have enormous strengths in this area. We’re one of only a few places on the planet that does.”

Because radio waves can’t travel through seawater, transitioning from remotely controlled underwater vehicles to those that operate independently has required the development of new acoustic and optical technologies to support communications, navigation and other functions.

Much of this work is being done at WHOI, the University of Massachusetts Dartmouth and other research and educational institutions in the region, Bellingham said, and it’s not uncommon for researchers to spin off and create their own companies when they come up with a new and potentially viable technology.

In 1997, Bellingham was part of a group of MIT engineers that founded Quincy-based Bluefin Robotics Corp., which engineers and manufactures autonomous underwater vehicles. Hydroid LLC, located here on the Cape in Pocasset, was founded in 2001 by WHOI researchers who developed remote environmental monitoring units known as REMUS.

Hydroid is often cited as an example of the kind of marine research-related light industry that could work on the Cape. The company, which employs 148 people, opened a state-of-the-art, 40,000-square-foot building last October to house its engineering, manufacturing and quality assurance operations. Construction on a new 15,000-square-foot administration building is expected to begin this summer.

The company’s ongoing relationship with WHOI, easy access to Buzzards Bay and deeper waters for testing and a solid workforce have all been factors in its success, according to Hydroid President Duane Fotheringham.

“About 50 percent of our employees are from the Cape and in tune with the oceanographic community,” he said.

With about half the company devoted to specialized manufacturing, one of Hydroid’s biggest challenges is recruitment.

But, based in part on Hydroid’s input, Cape Cod Community College has created several certificate programs that can be applied to an associate in science engineering degree, and the company is encouraged at the prospect of a growing, trained workforce.

Fotheringham said that having more high-tech startups settle on the Cape will “build upon itself” by drawing and retaining younger, skilled workers and growing the economy.

“Creating a base of companies helps everyone. It helps bring in those people we are trying to attract,” he said. “We’ve proven you can grow a successful company on the Cape.”

The “blue economy” concept came out of the Cape Cod Chamber of Commerce strategic planning process last year, according to CEO Wendy Northcross.



The “blue economy” encompasses everything from technology to tourism. Kingman Yacht Center in Cataumet, home to a large number of pleasure boats each summer, is also where Hydroid keeps its fleet. Merrily Cassidy/Cape Cod Times file

A group from the chamber is working with the Cape Cod Economic Development Corp., which administers the chamber's share of Cape license plate funds, to draw up ideas and action steps for the regional policy plan update currently being worked on by the Cape Cod Commission.

The hope is that the "blue economy vision" will "inspire individuals, organizations, businesses, governments, etc. to adopt some piece of the work and begin to transform the Cape's economy into this opportunity," Northcross said in an email.

A discussion document describes developing a "business plan" for the Cape that will maintain the area's standing as "a world-class travel destination" and continue to promote the benefits of tourism.

At the same time, the plan would build on the Cape's existing water-based economy, including the area's global reputation in marine science and technology, to attract marine-related businesses.

A lot of industries fit under the "blue economy" umbrella, said Warren Rutherford of the economic development corporation.

Tourism, marinas, the commercial and recreational fishing industries and fish and shellfish farming are among them. Innovative technologies for treating wastewater also represent opportunities, he said.

"We're focused on what we can do to help others working on these economic initiatives succeed and how we can facilitate those discussions," Rutherford said.

The SmarterCape Partnership, made up of seven organizations including the chamber and the Cape Cod Commission, is considering making the "blue economy" the theme of next year's SmarterCape Summit. This year's summit focused on housing and drew approximately 300 participants.

Additionally, Northcross said, Peter Karlson, the chamber's "entrepreneur in residence," is working to incorporate the concept into this fall's Startup Weekend Cape Cod. Startup Weekend is part of a global movement to bring together people interested in starting businesses.

The Marine Robotics Entrepreneurship Forum is WHOI's version of a startup day.

"In 10 to 20 years, AUVs are going to be everywhere," Bellingham said. "We want to ride that wave. We want to help those companies be successful as they get bigger."

Having started Bluefin Robotics, Bellingham said he understands the challenges of running a company that fields systems in a harsh ocean environment and of attracting financial backers.

It's important to "educate the investor," he said, and he is optimistic that putting people from all sides of the equation together will benefit everyone involved and the field of marine robotics in general.

"We're getting all these smart people in the room thinking and talking about how to work together," Bellingham said. "At this early stage, it's not about competition but about growing the market, thinking where it will be 10 years from now, making sure we understand and meet the needs of emerging markets. We're all in the same boat."

—Follow Lorelei Stevens on Twitter: @CCTLorelei.

December 10, 2015

Emily Chabot
Massachusetts Office of Business Development
10 Park Plaza, Suite 3730
Boston, MA 02116

Dear Ms. Chabot:

We write in support of funding of the Regional Economic Development Organization (REDO) grant to the Cape Cod Economic Development Council, Inc. The CCEDC has an established track record of receiving and executing REDO grants in the past and is an important community asset. This grant request has the support of the town _____.

The Blue Economy concept, which this REDO grant will advance, is an important step in creating year-round family sustainable wage jobs for the Cape and Islands region. The \$75,000 request will fund regional efforts to support the Blue Economy initiative. This initiative is important to the Cape and Islands as well as in line with the Baker Administration's economic development priorities.

Earlier this month Lieutenant Governor Karyn Polito endorsed the development of a Blue Economy at the Maritime Innovations Conference at the University of Massachusetts Dartmouth Center for Innovation and Entrepreneurship. In addition to the Administration's support, regional academic, business and policy makers have all endorsed this innovative initiative.

Thank you for your consideration in this matter. Should you have any questions, please feel free to contact me.

Sincerely yours,

Name

Town