



NASA Langley Research Center, Hampton

VEDP AEROSPACE UPDATE

January 9, 2025

VEDP AT-A-GLANCE

- Created by the Commonwealth of Virginia in 1995 as the principal state economic development organization for the Commonwealth
- 17-member governing board that provides continuity across gubernatorial terms
- Approximately 200 full-time positions
- Offices in Virginia, Germany, Japan, South Korea, and Taiwan



VEDP Staff

FY25-29 TRANSFORMATIONAL GOALS FOR THE COMMONWEALTH

1 Robust State Growth

Position Virginia to achieve a growth rate among that of the top 5-10 states in the U.S.

2 Every Region Wins

Ensure that every region participates in the growth of the Commonwealth

3 Best State for Business

Restore Virginia to its previous leadership position near the top of the national business climate rankings

4 Top State for Talent

Establish Virginia as a top state for talent retention, attraction, development, and alignment

5 Most Innovative, Collaborative, and Effective State EDO

Solidify VEDP's position as one of America's top state EDOs through an innovative strategy, collaborative approach, and effective outcomes

VEDP OFFERS CUSTOMIZED SERVICES & SOLUTIONS TO SUPPORT A COMPANY'S GROWTH



A single point of contact in Virginia



Site selection assistance



Coordination of site visits with local stakeholders



Tailored research (e.g., cost of doing business comparisons, state benchmarking)



Customized incentive proposals



International trade services



Workforce solutions

 **#1** America's
Top State
for Business



Northrop Grumman, Accomack County

- Aerospace sector plays an important role in Virginia's economy, directly supporting over 35,000 high-paying jobs and driving innovation.
- Home to industry leaders, R&D, spaceports, a dynamic talent pool and more, Virginia is positioned to play an important role in the industry of the future.
- Innovation is outpacing policy, creating challenges in areas like airspace awareness and management, privacy, and safety standards.
- Aerospace is a fiercely competitive global industry, with other states and countries vying for investment, talent, and market share.



VEDP'S STRATEGY IS BUILT AROUND EIGHT CORE INDUSTRIES, WITH 12 OTHER INDUSTRIES ALSO ACTIVELY TARGETED

Core industries

Dedicated holistic approach, including ecosystem building

Knowledge Work

A&D Innovation

Business Services

Financial Services

Software & Cybersecurity

Manufacturing

Advanced Materials

Biopharmaceuticals

Food & beverage manufacturing

Logistics

Transportation & logistics

Other target industries

Focused, traditional tactics

A&D Manufacturing

AgTech

Batteries

Data centers

EV

Maintenance, Repair, & Overhaul

Nuclear energy

Offshore wind

Quantum computing

Semiconductors

Traditional automotive

Wood products

VEDP ALIGNMENT TO THE AVIATION AND AEROSPACE SECTORS / ECOSYSTEMS

<p>A&D Innovation</p>	<ul style="list-style-type: none"> ▪ Outreach to company target lists & 'anchor companies' in VA. ▪ Proactively strengthening business environment through strategic partnerships across private sector, public institutions & academia to foster innovation.
<p>A&D Manufacturing</p>	<ul style="list-style-type: none"> ▪ Outreach to company target lists. ▪ Maintenance of partnerships (DOAV, VSA, VAAMA, etc.) ▪ Participation with and sponsorship of events hosted by AUVSI, AUSA, etc.
<p>Maintenance, Repair, Overhaul (MRO)</p>	<ul style="list-style-type: none"> ▪ Outreach to company target lists. ▪ Maintenance of partnerships with industry leaders.



Virginia has announced nearly 30 aerospace wins over the past five years



Leading aviation technology provider invests; expands headquarters in Virginia Beach



Global leader in launch services & space systems establishes new operations facilities



Full-service commercial and government services provider expands global headquarters



KONGSBERG

Global provider of defense and aerospace system creates more than 180 new jobs



RAPIDFLIGHT

Integrated designer and manufacturer of unmanned aircrafts sets up in Manassas



Manufacturer of motion control products & solutions expands in Montgomery County

CHALLENGES AND RISKS FOR THE AEROSPACE INDUSTRY

**Workforce
Shortages and
Skills Gaps**

**Infrastructure
Limitations**

**Regulatory
Uncertainty**

**Global
Competition and
Supply Chain
Vulnerabilities**

**Funding and
Investment
Challenges**

**Economic and
Market Volatility**

**Public Perception
and Community
Impact**

**Project-ready
Sites**

HOW CAN YOU CONTINUE TO SUPPORT GROWTH

- Continue investment to boost inventory of project-ready sites.
- Scale up investment in marketing Virginia (generally and specifically for our target industries, incl. aerospace).
- Continue investment in Virginia's aerospace innovation ecosystem.
- Extend Sales & Use Tax exemption for aircraft engines and other aircraft maintenance and repair parts – ideally with a time horizon that provides greater certainty (currently sunsets in 2025).



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THANK YOU



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