

House Agriculture Committee

Subcommittee on Commodity Exchanges, Energy, and Credit

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Testimony of Neela Mollgaard

Executive Director of Red Wing Ignite



Chairman David Scott, Ranking Member Austin Scott, and Members of the Subcommittee, thank you for allowing me to testify today.

Introduction

I am Neela Mollgaard, the Executive Director of Red Wing Ignite, a hub and facilitator of community innovation located in the small town of Red Wing, Minnesota.

Red Wing is nestled along the Bluffs of the Mississippi River only 50 miles from Minneapolis/St.Paul. Red Wing supports a diverse economy of advanced manufacturing, agriculture and tourism. Downtown preservation efforts have resulted in Red Wing being identified as one of the top 25 historic towns to visit in the U.S.A.

We have cold winters, lots of eagles, people who work hard and want the best for their kids. Through Ignite, I get to help keep our community competitive.

We have built partnerships and initiatives with schools, government, businesses and nonprofits. We have more than 18 businesses and organizations at our co-working space. Last year, we hosted more than 150 community and business meetings enhanced with high-definition video conferencing facilities. We created and launched a Makerspace in partnership with Minnesota State College Southeast. We have also recruited and supported almost 40 startups in 2019 alone.

Broadband Infrastructure

The City of Red Wing was forward thinking and formed a partnership with a local provider, Hiawatha Broadband Communication (HBC) to invest in broadband infrastructure as an economic growth strategy. That investment has made it possible for the stories I will share today.

To leverage the gigabit network, and our partnership with US Ignite (initially supported by the White House Office of Science and Technology Policy and National Science Foundation), Red Wing Ignite was launched in 2013. We are the only rural city in US Ignite's network of 28 Smart Gigabit Communities. US Ignite helps communities expedite adoption of services, develop innovative practices that stimulate job growth, the startup environment, and real estate investment.

Broadband is like electricity for us -*we turn it on and it works*. Unlike colleagues still struggling to secure broadband, we can spend time maximizing it.

But you need more than just the Gig to grow an economy. To be competitive in a global economy, rural communities require a different strategy - one that builds density of talent, people and resources to drive innovation.

Since then, the Red Wing area received two Minnesota Border to Border Grants, funds provided by the state legislature, to deploy better broadband. These grants are awarded on a competitive basis to unserved or underserved communities to help all of Minnesota reach the statutory speed goals of 100 Mbps down and 20 Mbps up by 2026. I served on the Governor's Task Force on Broadband at this time and had to compromise with speed goals, I feel they should have been faster.

Red Wing Ignite also received a grant from the Blandin Foundation to focus on broadband adoption. Blandin supports Red Wing with strategic consulting and seed money for broadband-fueled programs. The Blandin Foundation introduced us to the Intelligent Community Forum (ICF) model. The model measures community competitiveness in the broadband economy based

on four indicators: ensuring broadband infrastructure, developing a knowledge-based workforce, supporting innovation, redressing the digital divide, and effectively using marketing and advocacy to tell the community's technology story.

Two years ago, Blandin released a report on 5 Minnesota broadband success stories - including Red Wing and Goodhue County. They found that broadband had increased residents' economic benefit more than \$32 million per year (Or \$1,850 annual benefit per household with broadband.) Real Estate values had also increased by more than \$100 million.

Recent Accomplishments

It has taken Red Wing Ignite more than 5 years to build the foundation needed for an innovative ecosystem working to advance students, entrepreneurs and our business community. Broadband is essential but so is an organization like Ignite - bringing opportunity, access and exposure to the skills required in the 21st Century economy.

Growing the Talent Pipeline

We plant the seed to grow future innovators - the employers of tomorrow. We provide:

- Leadership to create a K-12 career pathways on STEM learning with aligned curriculum and worksite learning to be prepared for future careers. The flight paths focus on four areas: advanced manufacturing, health sciences, business/entrepreneurship and human services.
- College tech internships, that matches college students from the region with businesses needed technology help to advance their business.
- A coder dojo site, is a free, volunteer-led, community-based computer programming clubs for students.
- A collaboration with school districts, our college and manufacturers to provide work site learning and a certification through our local college.

Tony, a high school senior, participated in our tech entrepreneur class where students solve problems using technology culminating with the opportunity to pitch to investors. Tony said, "It's cool Ignite has brought so many opportunities. I was exposed to people and curriculum that heightened my knowledge of coding and entrepreneurship. Now I'm actually launching my own startup!"

Advancing Entrepreneurs

With assistance from US Ignite and regional partners, we convened a statewide Ag Tech Challenge seeking new hardware or software to improve agriculture. The winner was Jack Kilian, with the Poultry Patrol, a robot for turkey farms. The robot collects data and is projected to possibly increase weight, decrease mortality and salmonella among turkeys.

Kilian received \$15K in awards and said, *"This opportunity gave me a reason to explore an idea. With Red Wing Ignite's help, I was quickly able to get in contact with investors, customers, and mentors. Now I feel confident I can make Poultry Patrol a reality."*

Jack Buendor a co-founder also shares, *"Poultry Patrol is focused on Giving farmers access to the data collection technologies will increase the efficiency of the U.S. agricultural industry and help make farming more reliable, sustainable and safe. Everything from watershed monitoring, yield estimation, crop health, row alignment, and livestock monitoring will need data analysis, and the best ways to reliably collect, process, and present that data require through stable broadband."*

Currently, finding turkey farms with broadband has been challenging; it's costly for farmers to implement on their own.

Supporting Rural Innovation:

Now and in the future individuals will choose where they want to live and bring their careers with them. We have seen this locally with people choosing to leave urban areas for the benefits of small town living. In response Ignite has created a co-working space, makerspace, business incubator and other resources to meet this need.

The strongest network we have - even in the world of fiber is that human network.

How We Got Here

People ask - how did we get here. I have one word, **collaboration**.

Red Wing Ignite forges partnerships with government, academia, corporate partners and individuals to grow our innovative ecosystem to advance entrepreneurs, businesses and students.

I'd like to highlight partners that believe in this work: US Ignite, Blandin Foundation, City of Red Wing, Goodhue County, MN DEED, MN State College SE, Xcel Energy, Red Wing Shoes, Jones Family Foundation, and Southern MN Initiative Foundation.

As a result of our work, we were recently one of nine communities nationwide selected by the Center on Rural Innovation to participate in the Rural Innovation Initiative, an effort funded by the U.S. Economic Development Administration to provide technical assistance and support to rural communities working to create digital economy jobs and businesses.

Our strength as an organization is the ability to connect our students, entrepreneurs and/or businesses with the needed resources in Red Wing, Minnesota or national opportunities. We are

continuously learning and bringing best practices back to the region, for a lasting and sustainable impact.

Looking Forward

We believe our model will catalyze a regional innovation cluster that will strengthen and elevate our region and Minnesota's global competitiveness by focusing on three key areas:

1. **Advance Innovators and Entrepreneurs** by creating a hybrid incubator using virtual and in-person education, mentoring with top talent, technical assistance funds, access to investors and individual coaching.
2. **Enhance Regional Connectivity** by convening ecosystem builders and stakeholders in southern MN to implement the Entrepreneur First (E1) Collaborative. Creating a concentration of talent, people and resources to directly benefit entrepreneurs and the organizations serving them by simplifying the way individuals navigate the entrepreneurial ecosystem.
3. **Cultivate the Workforce of the Future** by convening industry, education and workforce development to attract, retain, and develop the talent needed to meet employer demand. RWI will advance students through worksite learning and hybrid courses in high demand, high growth fields.

Broadband establishes a platform for success that communities must have to be able to provide opportunities, access and exposure of virtual and physical networks to advance future innovators, entrepreneurs and their business.

Through perseverance we have learned these lessons:

1. Communities without broadband are in jeopardy.
2. Broadband access alone is not enough for economic vitality. It is critical to grow a knowledgeable workforce, increase digital literacy, foster innovation and market the efforts.
3. Measurement of economic success should evaluate talent attraction, retention and development not number of new jobs.
4. Trusted partnerships with government, corporate, academic and community partners are critical for success and sustainability.
5. Cities and organizations need to look beyond their geopolitical boundaries and proprietary tendencies in support of collaborative, regional economies.
6. Perseverance by local champions because it doesn't happen quickly.

In closing, the African Proverbs say it best, “If you want to go fast, go alone, if you want to go far go together.” This work can’t happen in isolation, we thank our local, state and national partners.

Thank you for the opportunity to testify. I look forward to your questions.