

**VOBOhio Proponent Testimony – Mr. Paul W. Salchak**  
**In favor of HB 292**  
**12 November, 2013**

Chairman Baker, Vice Chairman Terhar and Ranking Member Driehaus thank you for the opportunity to testify today on behalf of HB 292, that will create a Joint House and Senate Aerospace and Technology Study Committee.

I speak today as both an interested individual and as Director for VOBOhio – that is the Veteran Owned Businesses of Ohio. VOBOhio is an emerging Dayton-based non-profit organization growing to a state-wide reach. We exist for one purpose: Vets Helping Vets Work. The way that we seek to do that is by helping companies that hire veterans become more successful.

Our full story is left for another day. What brings me here today is not that purpose, but rather why we exist in the first place, parallels that we see with this legislation, and support of any effort that ultimately serves the work of helping more vets work.

In mapping our direction forward VOBOhio's leadership has seen a landscape of matching needs and opportunities; a tremendous investment across industry, education, and public enterprises; but an absence of integration. No one has put it all together. We find transition programs that provide roadmaps and guidance. We find business services; counselors; training programs; family services; public policies; investment strategies; and most importantly a collective will to help our veterans transition successfully back into civilian life – embraced by their dreams and our thanks for the sacrifice of their service. But no-one has put it all together. In our particular mission, we speak to many companies that want to hire vets, but don't know how to find them and aren't sure how they fit. And we have veterans with the skills, aptitudes, experiences, and habits that those employers value who don't know how to match with companies that will hire them. No one has put it all together...so we are.

Importantly, VOBOhio traces our roots to a small dedicated group that started meeting about eight years ago to make it their goal to answer a simple question: how do we work together to make the sum of our efforts greater than the whole? There is power in many voices coming together with a structure to focus the many to one purpose.

In parallel with the situation assessment driving HB 292 currently under consideration, as you already know and has been repeatedly introduced, Aerospace and Technology industries represent significant economic impact in the Ohio Economy. We and our predecessors have highlighted this with policies and continuing investments once again across industry, education, and public enterprises all designed to create, stabilize, sustain, and grow both these industries and the businesses and services that support them. This result is particularly important to VOBOhio because these are industries that have historically absorbed many of our returning military men and women as they leave active duty.

But, simply put, no-one in Ohio has put it all together. A lack of leveraged communication, knowledge and coordination results in lost opportunities that could otherwise benefit our state. In HB 292 we see a way forward to change that.

Next I'd like to speak briefly to a VOBOhio emphasis on smaller businesses and micro-enterprises. Our veteran population is a cross-section of our society; whether it's the young post-911 recruit that wants to start a career and a family or the lifer that wants to settle in and continue to give something to their communities. A larger percentage of these veterans start small businesses than their civilian counterparts. Citing from a recent Ohio SBDC presentation, Bureau of Labor Statistics found that "veterans are 45% more likely to be self-employed than non-veterans"<sup>Note 1</sup>. These small businesses tend to be community-centered economic engines; multiplying their value. They are almost always created and operate where their founder lives.

But small businesses, or more correctly the people that start them, are portable in today's global infrastructure. Upon exiting their military service our men and women have a lot of choices about where they will settle. Those that may start their own business will seek out that place where they have the highest potential to succeed. We want that place to be Ohio. NaVOBA, the National VOB Association, provides a monthly ranking of each state's veteran-business friendliness<sup>Note 2</sup>. Ohio has never made that grade. In the joint Committee formed by HB 292 we see a way forward to change that, with Aerospace and Technology sectors leading the way.

And lastly on a more personal note; I left my home town in Western New York because there really was no choice to stay. The life that my parents had prepared me to lead and the career that I sought didn't exist there. Scrolling forward a generation, I have two children. My daughter is completing a Masters Degree at Wright State University; with a research emphasis in human effectiveness and performance. She is considering where she will go next. My son is studying Mechanical Engineering in Pennsylvania but may come back home to finish; this based on the experience that he had this past summer as an intern at a technology company in Xenia. So it really resonated with me when a friend of mine recently shared an insight that he considered one of his most important jobs as a business owner is to do everything that he can to ensure that his children have the choice to stay home; to stay in Ohio.

I hope that resonates with you as well. We are raising our children in a world of choices. One of our most important jobs is to collectively create an Ohio where our children have the choice to stay. I believe that HB 292, the work of the joint Committee that it will create, and the lasting benefits of that work will make those choices possible for generations of Ohio families.

In conclusion, I again thank Chair Baker for allowing me this opportunity to testify today to the Economic Development and Regulatory Committee. I urge your support of HB 292. I am at your disposal and would be happy to answer any questions that you may have. Thank you.

Note 1:

<http://www.sba.gov/about-offices-content/1/2985/resources/160491>

### Facts on Veterans and Entrepreneurship

The U.S. Small Business Administration (SBA) recognizes the impact that veterans have on the American economy. According to the most recent data, there is about one veteran-owned firm for every ten veterans, and veteran-owned firms employ 5.8 million individuals. A recent SBA study also found that military service exhibits one of the largest marginal effects on self-employment, and veterans are 45% more likely to be self-employed than non-veterans.

Table 1. Veteran Population Statistics

<b>Veterans</b>	<b>Male Veterans</b>	<b>Female Veterans</b>	<b>Veteran-owned firms</b>	<b>Employees of Veteran-owned firms</b>
21.2 million	19.4 million	1.8 million	2.4 million	5.8 million

Sources: Bureau of Labor Statistics, Employment status of the civilian population 18 years and over by veteran status, period of service, and sex, not seasonally adjusted, May 2012; U.S. Census Bureau's Survey of Business Owners (SBO), 2007.

Note 2:

<http://www.navoba.com/StateTracker.aspx>

### Is Your State Vetpreneur-Friendly?

NaVOBA is working with states across the country to generate legislation that creates opportunities for vetpreneurs. State governments spend more than \$1.5 trillion annually. NaVOBA's State Tracker keeps you up-to-date on the latest news about opportunities in your state.

#### Legend

-  Have established mandates that set aside a 3% or greater spending goal for either SDVOBs, VOBs or both.
-  Offer some type of preference to VOBs or SDVOBs in procuring state contracts.
-  No set-asides or preference for VOBs or SDVOBs. Some legislation giving VOBs or SDVOBs a minor business advantage.
-  Pending states
-  No Activity

