

**VIRGINIA TOBACCO INDEMNIFICATION  
AND COMMUNITY REVITALIZATION COMMISSION**

701 East Franklin Street, Suite 501  
Richmond, Virginia 23219

**Research and Development Committee Workshop**

Friday, August 22, 2014  
9:00 A.M.

Liberty Mountain Conference Center  
Lynchburg, Virginia

**Appearances:**

The Honorable Kathy J. Byron- Chairman  
The Honorable Charles W. Carrico, Sr. (arrived at 9:30am)  
Ms. Becky Coleman  
The Honorable Maurice Jones (via conference call)  
The Honorable Daniel W. Marshall, III  
Mr. A. Dale Moore  
Mr. Kenneth O. Reynolds  
The Honorable Frank M. Ruff (arrived at 9:20am)  
The Honorable Edward Owens  
The Honorable Ralph K. Smith (arrived at 9:35am)

**Committee Members Not Present:**

The Honorable A. Benton Chafin, Jr.  
Ms. Sandra F. Moss  
Mr. Todd E. Pillion, DDS

**Commission Staff:**

Tim Pfohl, Interim Executive Director  
Ned Stephenson, Deputy Director  
Carolyn Bringman  
Sarah Capps  
Savannah McAmis

**Guest:**

Jerry Giles, VEDP

**Called to order:**

The Honorable Kathy J. Byron, Chairman, called the meeting to order at 9:03 a.m.

Ms. Byron welcomed the three new board members: The Honorable Edward Owens, Ms. Becky Coleman, and Mr. A. Dale Moore.

**Tobacco Commission R&D Investment Portfolio Presentation by Carolyn Bringman**

\$100M budgeted in 2009 for R&D

\$71.6M awarded to date

\$23.4M remaining balance

7 outstanding requests totaling \$12.1M to be vetted

1 project not performing, expected \$5M claw back

**Motion to approve minutes from 5/22/14 meeting:** Kathy Byron

**Second:** Tim Pfohl

**Vote:** Unanimous in favor

There was a discussion concerning whether the Committee should continue to follow the donor model or switch to the owner model by which it would own a portion of equity or subordinated debt for each grant-receiving company. The Commission staff was asked to present a white paper on this issue during the September meeting.

A consensus was reached that the Commission could achieve a greater impact if all cash matches were spent in the tobacco region.

The Committee discussed possibly imposing a minimum vetting score. No action was taken.

The Committee questioned whether it should impose more stringent parameters for grantees to earn the awarded grants. No action was taken.

The volume of grant applications is a concern for the Committee. It discussed decreasing the number of funding cycles from 3 to 2 or limiting the number of applications accepted or sent to vetting; however, no change was recommended at this time. They also agreed to allow VEDP to limit the number of pages presented in each application.

**Motion to create a limit of 6 apps for vetting:** Ralph Smith

**Motion failed for lack of a second.**