

President's Open Session Remarks to BOV – 4Jun25

Less than a month ago, we hosted a long-awaited Metallica concert in Lane Stadium. When I say “long-awaited,” I mean the better part of a quarter century. I think it was better than even the “metalheads” among us could have imagined.

While our minds are in Lane Stadium, I'd like to give you a brief update on Athletics at Virginia Tech, in the ACC and across NCAA Division I. As you know, the state of college athletics has been in flux. Since 2021, everyone has been talking about the transfer portal and NIL. Over a year ago, Tennessee's AG working with Virginia's AG and others was granted a temporary injunction preventing the NCAA from enforcing any of its NIL regulations. With no enforcement possible, there have been no limits on the ability of third parties to induce recruits or to pay student-athletes to play. This has allowed wealthier programs to separate themselves in the revenue sports. Unfortunately for Virginia Tech and many other lower resourced P4 programs, you have seen the results.

I am optimistic about the future though. The House settlement, which is awaiting final approval, features a revenue sharing cap - \$20.5M in the first year – and an NIL Clearinghouse administered by Deloitte. We have identified the recurring non-E&G resources at Virginia Tech to reach the cap. That was no small feat, but prudent resource management over the years has put us in position to compete, provided the Clearinghouse is effective in returning NIL to its original purpose.

Over time, I expect that revenue sharing will lead to separation between programs that can provide maximum revenue sharing and those that cannot. The cap will create a greater degree of competitive equity among the P4 programs that reach the cap, especially in football. This will be a much healthier environment for fundraising, as the NIL black hole will have been closed or at least restricted. Programs will still separate based on resources available for staffing and for facilities, but we won't be in the free-for-all that we have experienced since the spring of 2024.

The ACC is now much more settled than it was a few months ago. The ESPN contract has been extended and the Florida State and Clemson lawsuits have been settled. The upshot for us will be that the revenue from media rights will no longer be shared equally. A portion is being distributed based on football and basketball success, and a larger tranch will be distributed based on viewership. The bottom line is that it pays to schedule quality opponents, particularly if we win.

At a national level, I have been chairing the NCAA DI decision-making working group. We are attempting to remake governance to be leaner, flatter, and faster. That work should conclude this summer.

I do not know what the longer term holds for college athletics. I expect we will have about three years of relative calm before the next big earthquake. This is our opportunity to build momentum.

I am pleased to share that Virginia Tech has entered the top 100 globally for U.S. utility patents granted, at #73. In the U.S., we are #45. Those are our highest rankings to date. We have the potential to go higher. I am very pleased that we have achieved this element of global distinction for the impact of our research and commercialization program. Thanks to our faculty, students, postdocs and the leadership of Dan Sui, SVP for Research and Innovation, and Justice McClanahan in leading our Foundation and its assets toward this milestone. The person at the center of the fray deserves a lot of credit – Dr. Brandy Salmon. Brandy leads Virginia Tech Intellectual Properties (VTIP) and she directs Link, License and Launch. Brandy has a long history of big wins at Virginia Tech including her instrumental role in the Commonwealth winning the Amazon HQ2 competition which generated over a half billion in resources for Virginia Tech. Brandy works at the intersection of partnerships between the university, industry and government. She is taking on an expanded role in the Corporate Research Center. We were pleased to promote her to VP for Innovation and Partnerships, reporting jointly to SVP Sui and SVP Phlegar. Her portfolio will continue to grow as federal government support for research wanes.

Speaking of key personnel, the searches for SVP for Advancement and VP for Marketing and Communications are well underway. The search for our next provost will begin this summer. We will have more time to celebrate the impact of provost Cyril Clarke this fall, but let me say now that his eight years of service as provost, the toughest job on campus in my opinion, have been remarkable. Cyril has earned the respect of the university community through his wisdom, his willingness to make difficult decisions, and his principled approach to the position. Thank you, Cyril!

We are also welcoming two new deans this fall. Dr. Saskia van de Gevel is coming to us from Appalachian State University to be the new dean of the College of Natural Resources and Environment and Dr. Rebecca Bott-Knutson will join us from South Dakota State University as the new dean of the Honors College. Saskia and Rebecca have been preceded by two outstanding leaders who are now retiring after long and successful careers as leaders at Virginia Tech, Dr. Paul Winistorfer and Dr. Paul Knox. Thank you, Paul and Paul!

And while I'm acknowledging retiring leaders, I'd like to thank Mike Mulhare, AVP for Public Safety, for 17 years of service to Virginia Tech. I will miss his briefings before every big event. Mike has ensured that we all feel safe and supported in challenging times.

Many of us are concerned with the impact of federal actions on our enrollment of international students, changes in the Pell grant, and headwinds for our federally-funded research enterprise. Our current enrollment of international students is about 11% of total enrollment, a modest figure compared to aspirational peers. While small in number, international students provide a disproportionate impact in enriching the learning environment, on research in areas of national significance, and on our Olympic sports. Although the records of 19 students were removed from SEVIS this spring, those records were ultimately restored. I am concerned about the challenges international students will face this fall with delays in visa processing and in the direct and indirect messages they are receiving about the changing U.S. position on attracting top global talent. While we should always prioritize developing domestic talent, the U.S. has only four percent of the global population. According to the National Foundation for American Policy, one quarter of the CEOs of US billion-dollar companies came to the US as international students. Those include the leaders of Google, Microsoft, and Tesla. We have to carefully balance national security with the tremendous benefits this talent brings to the nation and to Virginia Tech.

You have all heard about the impact of terminated federal grants on the university research enterprise. Virginia Tech has had 63 federal grants terminated, resulting in the loss of \$32M in expenditures from previously active awards. While this number sounds large it is only about 2% of our total active awards portfolio of \$1.6B. For those impacted, it is a big deal. We are doing our best to make sure that impacted students can finish their degrees and bring their research to fruition through publications or presentations, but we won't be able to bridge forever. The bigger threat to our research portfolio is the impending reduction in the research budgets of the major federal agencies, including NIH, NSF, DoD, DoE and others. This is why our work to grow industry partnerships and the Virginia Tech Innovation Network is so important. Despite the dire prognostications, I feel Virginia Tech is in a very strong position. We are already running an "inside-out" university, the opposite of an ivory tower, and one whose employees and students are deeply engaged with partners and communities distributed around the commonwealth, the nation and the world. It is this type of university that is best positioned to lead in regaining the public trust.

As always, Go Hokies!