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Committee on Economic Development and Technology Commercialization

Materials for the 6/19 Committee Meeting

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From the north (Baltimore):

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From Washington, DC:

1. Take I-295 N
2. Take exit number 11, US 50 E towards Annapolis
3. Take exit 11, MD 197 N towards Bowie
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From the east (Annapolis):

1. Take US 50 W towards I-97/Washington/Baltimore
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3300 METZEROTT ROAD
ADELPHI, MD 20783-1690

TO: Members of the Committee on Economic
Development and Technology Commercialization:

Mr. Gary L. Attman, Chair
Dr. Patricia S. Florestano
Ms. Louise Michaux Gonzales
Ms. Linda Gooden
Mr. Barry P. Gossett

Mr. Earl F. Hance
The Hon. Francis X. Kelly, Jr.
The Hon. C. Thomas McMillen
Dr. John L. Young

FROM: Joseph F. Vivona

DATE: June 12, 2012

RE: Meeting of the Committee

The Committee on Economic Development and Technology Commercialization of the USM Board of Regents will meet in public session at approximately 12:45 p.m. on Tuesday, June 19, 2012. The meeting will take place at Bowie State University – in the Library Conference Room located on the 2nd floor of the Thurgood Marshall Library. The Committee will first convene in executive session at approximately 12:00 p.m.

The agenda and supporting materials are enclosed. Parking will be available in the circle for Regents (other than campus reserved spots). Overflow parking is available in Lot C. Directions to the garage and a map of the room location are also enclosed.

I look forward to seeing you next week.

cc: Office of the Attorney General
Chancellor's Council
Research Vice Presidents

Assistants to the Presidents
Office of Communications



**Board of Regents
Committee on Economic Development and Technology Commercialization**

**June 19, 2012
Bowie State University**

Public Session

1. Convening Closed Session (action item)*
2. InvestMaryland -- Fueling Innovation (information item)
3. USM Engagement with the Venture Capital Community (information item)
4. Highlights of Committee Initiatives (information item)
5. USM Economic Impact Study Update (information item)

**Please note that the first item action occurs at 12:00 p.m. prior to the start of the executive/closed session.*



SUMMARY OF ITEM FOR **ACTION**,
INFORMATION OR DISCUSSION

TOPIC: Convening Closed Session

COMMITTEE: Economic Development and Technology Commercialization

DATE OF COMMITTEE MEETING: June 19, 2012

SUMMARY: The Open Meetings Act permits public bodies to close their meetings to the public in special circumstances outlined in State Government Article §10-508(a) of the Act. The Committee on Economic Development and Technology Commercialization will convene in closed session today to discuss issues specifically exempted in the Act from the requirement for public consideration. These matters include faculty policies and administrative matters.

As required by law, the vote on the closing of the session will be recorded. In addition, a written statement of the reason for closing the meeting, including a citation of the authority under §10508(a) and a listing of the topics to be discussed, is attached.

ALTERNATIVE(S): There is no alternative proposed.

FISCAL IMPACT: There is no fiscal impact.

CHANCELLOR'S RECOMMENDATION: That the Committee on Economic Development and Technology Commercialization adjourn the open session to reconvene in closed session under §10-508(a) of the Open Meetings Act.

COMMITTEE RECOMMENDATION:

DATE:

BOARD ACTION:

DATE:

SUBMITTED BY: Joseph F. Vivona (301) 445-1923



**STATEMENT REGARDING CLOSING A MEETING
OF THE COMMITTEE ON ECONOMIC DEVELOPMENT AND TECHNOLOGY COMMERCIALIZATION
OF THE USM BOARD OF REGENTS**

Date: June 19, 2012

Time: 12:00 p.m.

Location: BSU

Motion by: Gary L. Atman

Seconded by: _____

Board
members:

Vote to close session:

<input type="checkbox"/>	Unanimous		
<input type="checkbox"/>	Abstain	_____	_____
<input type="checkbox"/>	Nay	_____	_____

STATUTORY AUTHORITY TO CLOSE A SESSION

State Government Article §10-508(a):

- (1) To discuss:
- (i) The appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom it has jurisdiction; or
 - (ii) Any other personnel matter that affects one or more specific individuals.
- (2) To protect the privacy or reputation of individuals with respect to a matter that is not related to public business.
- (3) To consider the acquisition of real property for a public purpose and matters directly related thereto.
- (4) To consider a preliminary matter that concerns the proposal for a business or industrial organization to locate, expand, or remain in the State.
-

- (5) To consider the investment of public funds.
- (6) To consider the marketing of public securities.
- (7) To consult with counsel to obtain legal advice on a legal matter.
- (8) To consult with staff, consultants, or other individuals about pending or potential litigation.
- (9) To conduct collective bargaining negotiations or consider matters that relate to the negotiations.
- (10) To discuss public security, if the public body determines that public discussions would constitute a risk to the public or public security, including:
- (i) the deployment of fire and police services and staff; and
 - (ii) the development and implementation of emergency plans.
- (11) To prepare, administer or grade a scholastic, licensing, or qualifying examination.
- (12) To conduct or discuss an investigative proceeding on actual or possible criminal conduct.
- (13) To comply with a specific constitutional, statutory, or judicially imposed requirement that prevents public disclosures about a particular proceeding or matter.
- (14) Before a contract is awarded or bids are opened, to discuss a matter directly related to a negotiation strategy or the contents of a bid or proposal, if public discussion or disclosure would adversely impact the ability of the public body to participate in the competitive bidding or proposal process.
- (15) Administrative matters.

TOPICS TO BE DISCUSSED: Faculty policies for promotion, tenure and sabbatical leave; as well as administrative matters related to University of Maryland ventures, data analysis, and BOR awards.

REASON FOR CLOSING: To discuss with members of the Board the item(s) checked above and take action as necessary.



BOARD OF REGENTS

SUMMARY OF ITEM FOR ACTION
INFORMATION OR **DISCUSSION**

TOPIC: InvestMaryland -- Fueling Innovation, Creating Jobs

COMMITTEE: Economic Development and Technology Commercialization

DATE OF COMMITTEE MEETING: June 19, 2012

SUMMARY: InvestMaryland is a public / private investment program to address the need for early stage capital for early stage technology companies. Mr. Frank Dickson, Principal at the Maryland Venture Fund, will discuss this program to fuel innovation and create jobs in the state of Maryland.

ALTERNATIVE(S): This item is for discussion purposes.

FISCAL IMPACT: This item is for discussion purposes.

CHANCELLOR'S RECOMMENDATION: This item is for discussion purposes.

COMMITTEE RECOMMENDATION:

DATE:

BOARD ACTION:

DATE:

SUBMITTED BY: Joseph F. Vivona (301) 445-2783

INVEST MARYLAND

Fueling Innovation, Creating Jobs

MARYLAND OF OPPORTUNITY.

MARTIN O'MALLEY | GOVERNOR

INVEST MARYLAND

Fueling Innovation, Creating Jobs

Venture-Backed Companies

MARTEK
life enriched.™

MedImmune

Avalon
pharmaceuticals



VOCUS

BROADSOFT

Google™

Advertising.com™
WE MAKE THE WORLD CLICK

CYLEX®
incorporated

SOURCEfire

MARYLAND OF OPPORTUNITY.

MARTIN O'MALLEY | GOVERNOR

Setting the Stage

1998- 2004


WE MAKE THE WORLD CLICK

Now


millennialmedia

 TIDAL TV

Future

?

- Venture Ecosystem – Entrepreneurs, Funds, Talent

MARYLAND OF OPPORTUNITY.

MARTIN O'MALLEY | GOVERNOR

Maryland's State Venture Investing

InvestMaryland – Investment Program

- Public / Private investment program to address the shortage of early stage capital for early stage technology companies

Maryland Venture Fund (DBED administrator)

- Challenge Investment (\$50-150K) are in technology based businesses positioning for VC investment
- Enterprise Investments (\$150-500K) with VCs on institutional rounds ranging from \$3-\$20M.

Maryland's State Venture Investing

Governor Martin O'Malley Announces \$84 Million in Investment for Maryland's Innovation Economy

March 15th, 2012

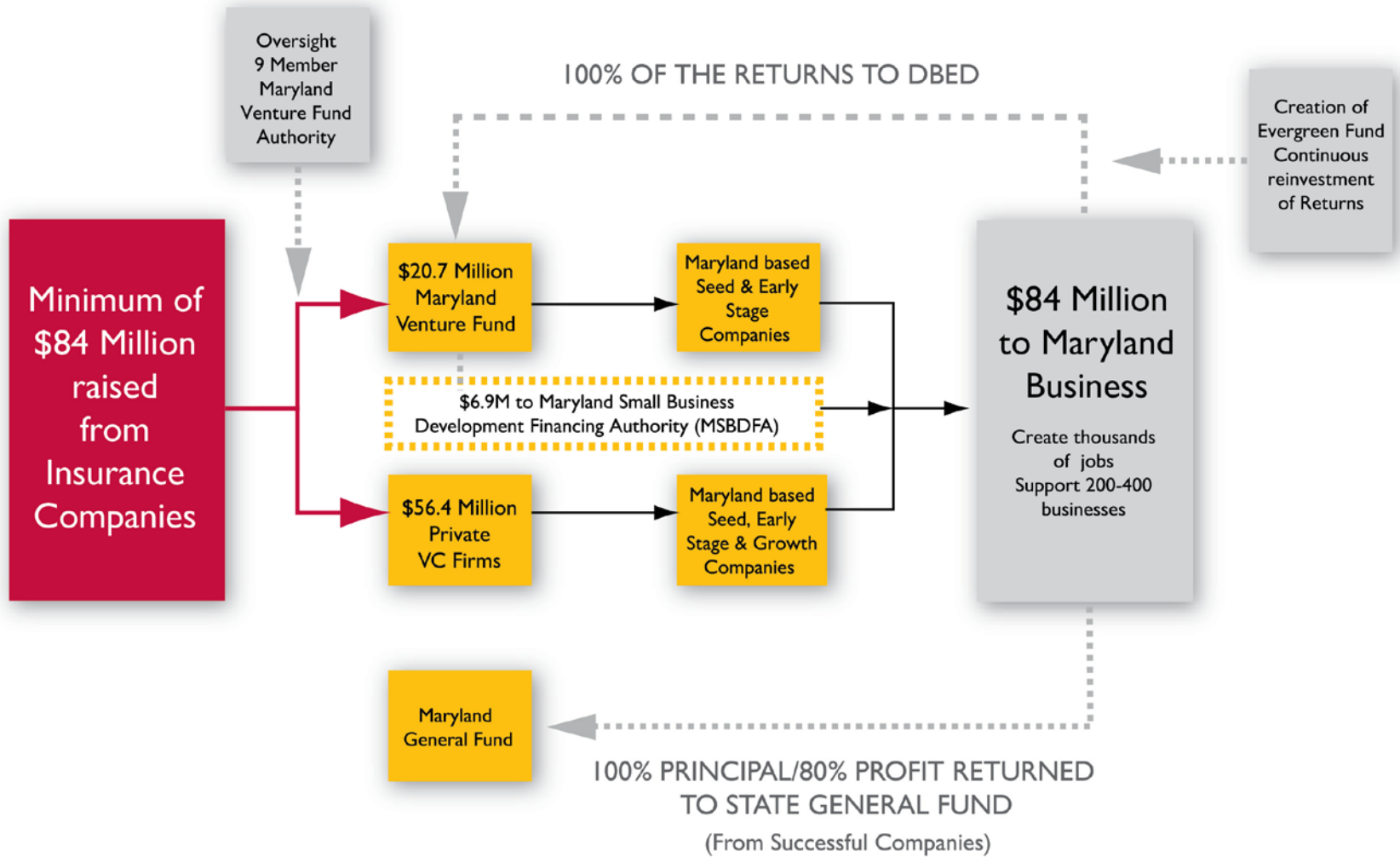
**“ Maryland first state in the nation to use online auction to raise funds for venture capital program
InvestMaryland will deploy first round of funds to seed early stage companies this summer.”**

[Tax Credit Auction Results](#)

<https://www.bidmaryland.com/auction/4624/results>

INVEST MARYLAND

Fueling Innovation, Creating Jobs



MARYLAND OF OPPORTUNITY.®

Maryland Venture Fund – History

Maryland Venture Fund

- Received \$25 million in General Funds over 10-13 years
- \$61 million returned to the Fund
- Invested \$51 million in more than 200 Maryland companies and helped to create 2,000+ jobs

Recent Wins

- Moodlerooms acquired by Blackboard – 2 PT to 100FT in 5 years.
- Coderyte acquired by 3M – 5-6 FT to 100 FT in 10 years

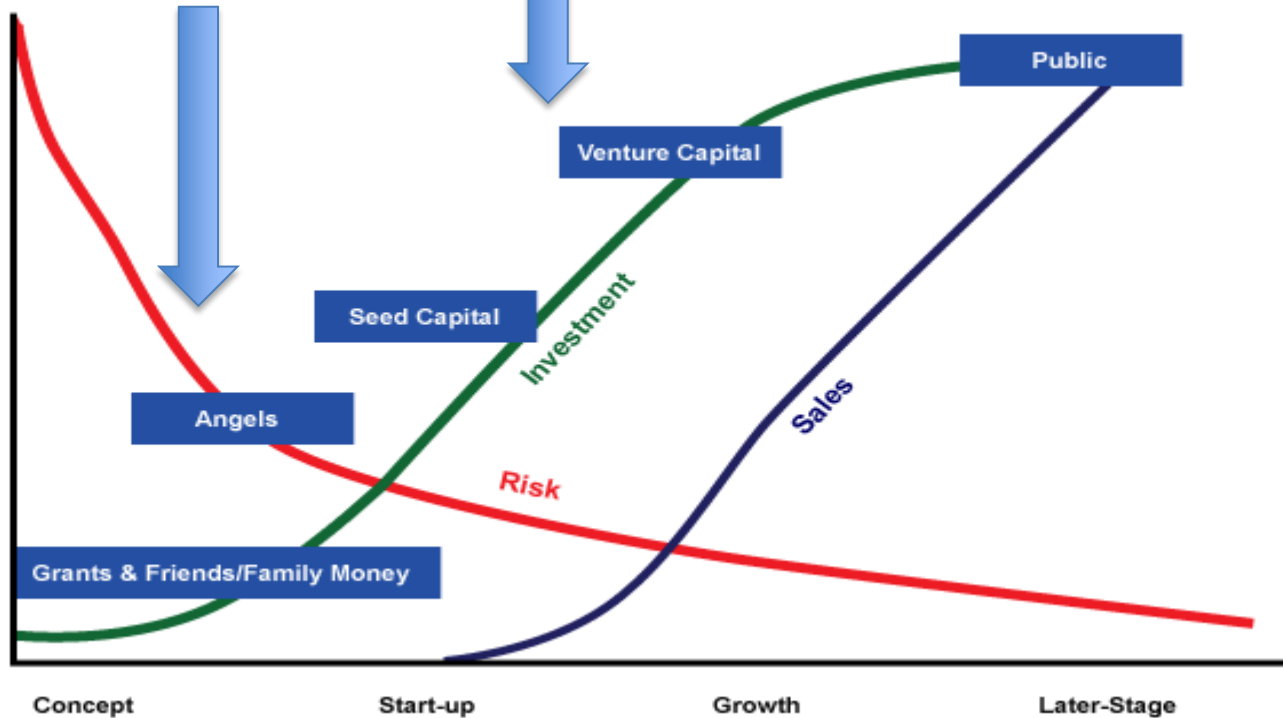
Maryland Venture Fund - Programs

Enterprise Investments

Challenge Investment \$150-\$500,000

\$50-\$100,000

Stages of company development



- **Establish Maryland Venture Fund Authority (9 members)**
May – July 2011: Selection of Authority members; scheduling of meetings
- **3rd Party Consultant Selection - Tax Credit and VC Selection**
December 2011 - Grant Street Group - selected as Tax Credit Auction consultant
January 2012 – Altius Associates selected as VC selection consultant.
- **Tax Credit Auction – March 15th - Raised \$84,000,000.**
- **VC applications due starting Jan 1, 2012 through May 1st, 2012.**
- **Collection of Insurance company payments**
June 1, 2012-2014
- **Investment of Funds**
July 2012 to term
- **Receipt of Distributions**
2015 to term

INVEST MARYLAND

Fueling Innovation, Creating Jobs

Thank You

Frank Dickson

frdickson@choosemaryland.org

410-767-6383

MARYLAND OF OPPORTUNITY.

MARTIN O'MALLEY | GOVERNOR



BOARD OF REGENTS

SUMMARY OF ITEM FOR ACTION
INFORMATION OR **DISCUSSION**

TOPIC: USM Engagement with the Venture Capital Community

COMMITTEE: Economic Development and Technology Commercialization

DATE OF COMMITTEE MEETING: June 19, 2012

SUMMARY: The Committee will be briefed on USM's entrepreneurship/innovation eco system, current engagement with Maryland's Venture Capital Community and potential opportunities for enhancing this engagement.

ALTERNATIVE(S): This item is for discussion purposes.

FISCAL IMPACT: This item is for discussion purposes.

CHANCELLOR'S RECOMMENDATION: This item is for discussion purposes.

COMMITTEE RECOMMENDATION:

DATE:

BOARD ACTION:

DATE:

SUBMITTED BY: Joseph F. Vivona (301) 445-2783

Mtech's Commercialization and
Economic Development
Activities

Dr. David F. Barbe
Professor and Director



Major UM Commercialization Activities

- Maryland Technology Enterprise Institute (Mech)
 - Educate, Create, Connect
 - Clark School of Engineering
- Dingman Center for Entrepreneurship
 - Smith School of Business
- Office of Technology Commercialization (OTC)
 - Licensing of IP
 - Office of the VP for Research
- Good cooperation among these

Mtech Entrepreneurship/Innovation Eco System

Educate



Create



Connect



Hinman CEOs <ul style="list-style-type: none"> Living-learning program for Junior and senior students with strong entrepreneurial spirits 	Technology Advancement Program <ul style="list-style-type: none"> Leading Technology Venture Incubator in Maryland 	Maryland Industrial Partnerships <ul style="list-style-type: none"> Technology Product Development for Maryland Companies
Entrepreneurship & Innovation Program (EIP) <ul style="list-style-type: none"> Living-learning program for Freshman and Sophomore students with strong entrepreneurial spirits 	Venture Accelerator Program <ul style="list-style-type: none"> Intense Venture Assistance for UM Faculty and Students 	Maryland International Incubator <ul style="list-style-type: none"> Home for international companies Collaboration with UM faculty and students
Hillman Entrepreneurs <ul style="list-style-type: none"> Transfer program with local Community College (s) and UM Scholarships 	TERP Startup Lab <ul style="list-style-type: none"> Tech Entrepreneur Research and Prototyping Laboratory 	Biotechnology Research and Education Program <ul style="list-style-type: none"> Bioprocessing, Scale-Up, Education, Training, and Productivity
Minor in Technology Entrepreneurship for Undergraduates	Entrepreneur Office Hours <ul style="list-style-type: none"> Free, Open Office Hours for UM individuals with Tech Startups/ Ideas 	University of Maryland Manufacturing Assistance Program (UMMAP) <ul style="list-style-type: none"> Solutions for Manufacturers
Entrepreneurship Courses <ul style="list-style-type: none"> 21 Courses for graduate, undergraduate and Pre-college students (865 enrollments in 2011) 	University of Maryland \$75K Business Plan Competition <ul style="list-style-type: none"> Undergraduates Graduate students and Faculty Social impact 	Maryland Intellectual Property Legal Resource Center <ul style="list-style-type: none"> Free legal work for faculty, students and companies by UMB law school faculty member and IP law Students
	Annual University of Maryland Technology Startup Boot Camp <ul style="list-style-type: none"> Faculty Students Community 	
	DOE Clean Energy Business Plan Competition <ul style="list-style-type: none"> Southeast region of the USA 	

Research (\$545M)
+
Concepts & ideas



Successful Entrepreneurs, Innovative Companies & Products

Mtech Impact

- \$27.8 B Cumulative Economic Development Impact
- 7,053 jobs created
- 100 companies graduated from (TAP) on-campus incubator
 - 2 acquired for greater than \$1B each
 - Many smaller successes
 - The technology for hybrid-electric vehicles developed in TAP
- Served 555 companies in 2011
- 21 entrepreneurship courses with 865 enrollments in 2011

Mtech Summary

- Mtech programs have proven records
 - No-risk solutions for commercialization and economic development
- Mtech could have substantially more impact if funded properly
 - 5 more sets of VentureAccelerator personnel to serve UM
 - Similar effort likely needed to serve UMB
 - Additional \$1.6M needed to meet demand for MIPS projects at all USM institutions

New Initiatives of Dr. Loh

- Innovation Academy of Maryland (IAM)
 - Promulgate innovation and entrepreneurship across the campus
 - Get all UMD colleges/schools involved in entrepreneurship
- Maryland Ventures
 - Joint with UMB
 - Strong collaboration between the OTC's of UM and UMB
 - Expand Mtech Venture Creation Activities to UMB
- Many details to be worked out for both
- Searches started for directors of both new entities



BOARD OF REGENTS

SUMMARY OF ITEM FOR ACTION
INFORMATION OR DISCUSSION

TOPIC: Highlights of Committee Initiatives

COMMITTEE: Economic Development and Technology Commercialization

DATE OF COMMITTEE MEETING: June 19, 2012

SUMMARY: Mr. Gary Attman will present and discuss highlights of Committee initiatives to enhance entrepreneurship, innovation, and commercialization activities within the University System of Maryland.

ALTERNATIVE(S): This item is for information purposes.

FISCAL IMPACT: This item is for information purposes.

CHANCELLOR'S RECOMMENDATION: This item is for information purposes.

COMMITTEE RECOMMENDATION:

DATE:

BOARD ACTION:

DATE:

SUBMITTED BY: Joseph F. Vivona (301) 445-2783



**Board of Regents
Committee on Economic Development and Technology Commercialization**

**June 19, 2012
Bowie State University**

Highlights of Committee Initiatives

- Strengthening engagement with state and county agencies and programs (TEDCO, InvestMaryland, BioHealth Innovation)
- Nurturing and establishing a process to track the formation of start-up companies facilitated by USM institutions
- Instantiating the recognition of the application of intellectual property through technology transfer in faculty APT and sabbatical leave policies and becoming the first University System with such policies
- Assessing best practices through the different phases in the innovation cycle, including strategies for increasing private industry sponsored research and enhancing partnerships with the venture capital community
- Launching an economic impact study of the USM
- Establishing a Regents' Entrepreneur of the Year Award
- Continuing to review the formation of University of Maryland Ventures, a joint institute being formed to promote tech transfer and commercialization through collaborative leadership and a unified set of services and programs
- Exploring the enhancement of technology transfer commercialization through the creation of programs similar to the Center for Integration of Medicine and Innovative Technology (CIMIT)
- Following up on the recommendations in the 2009 Caret Task Force Report on STEM workforce production
- Following up on the recommendations in the Cyber Security Task Force report to enhance academic programs, research activities, collaborations, and research infrastructure across the USM

- Creating a consolidated web site of resources to promote technology transfer and entrepreneurial activities through USM Connect
- Facilitating the collection and analysis of annual AUTM survey data



BOARD OF REGENTS

SUMMARY OF ITEM FOR ACTION
INFORMATION OR DISCUSSION

TOPIC: USM Economic Impact Study Update

COMMITTEE: Economic Development and Technology Commercialization

DATE OF COMMITTEE MEETING: June 19, 2012

SUMMARY: The Jacob France Institute and USM staff have been working on a study of the economic impact of the University System of Maryland. The Committee will be updated on the progress of this study.

ALTERNATIVE(S): This item is for information purposes.

FISCAL IMPACT: This item is for information purposes.

CHANCELLOR'S RECOMMENDATION: This item is for information purposes.

COMMITTEE RECOMMENDATION:

DATE:

BOARD ACTION:

DATE:

SUBMITTED BY: Joseph F. Vivona (301) 445-2783
