



**BOARD OF REGENTS
COMMITTEE ON ECONOMIC DEVELOPMENT
AND TECHNOLOGY COMMERCIALIZATION**

Notes from the Executive Session

June 18, 2013

University of Maryland, Baltimore

Chairman Attman called the meeting of the Committee on Economic Development and Technology Commercialization of the University System of Maryland Board of Regents to order in public session at 12:42 p.m. At 12:43 p.m., the Committee voted unanimously to go into closed session under State Government Article Section 10-508(a).

The Regents in attendance included Mr. Attman, Ms. Gonzales, Mr. Gossett, Mr. Hance (by phone), Mr. Kelly, Mr. Hershkowitz, Mr. McMillen, Mr. Rauch (by phone), and Ms. Turner. Also present at the meeting were Chancellor Kirwan, Mr. Vivona, Mr. Raley, Mr. Gallo, Ms. Doyle, Ms. Moultrie, Mr. Balakrishnan, Mr. Darmody, Assistant Attorney General Faulk and USM staff.

The Chief Investment Officer of the USM Foundation, Mr. Sam Gallo, discussed some preliminary ideas for investing in and accelerating technology transfer and the commercialization process within the USM.

He explained that the program would be viewed as a "socially-based investment" and, as such, would not be premised on the traditional risk/return metrics used by the Investment Office. It would involve establishing a separate investment management company for flexibility as well as for raising external capital from private investors. Initially, the USM Foundation would provide a small amount of seed capital for the start-up company and, upon further development of the business, additional capital from the Foundation and external investors would be provided at the discretion of the investment management company.

The USM institutions as well as their faculty, students and staff would benefit from this program. External investors could earn attractive and potentially outsized returns. Also, as a partner in the program by providing, for example, tax incentives for external investors and other resources, the State of Maryland would benefit from enhanced economic activity and national recognition.

The regents expressed interest in continuing to develop the program and in establishing an advisory committee of prominent entrepreneurs to draw investors, provide guidance and establish best practices.

The executive session was adjourned at 1:20 p.m.

Respectfully submitted,

Gary L. Attman, Chair
Committee on Economic Development
and Technology Commercialization