



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

Minutes of the Public Session
November 19, 2015
University of Maryland, Baltimore

The Committee on Economic Development and Technology Commercialization of the University System of Maryland (USM) Board of Regents met in public session on Thursday, November 19, 2015, in the President's Boardroom of the Saratoga Building at the University of Maryland, Baltimore.

Regent Attman called the meeting to order at 12:48 p.m. The regents in attendance were Mr. Attman, Mr. Brady, Ms. Comitz, Mr. Gossett, Dr. Gourdine, Senator Kelly, Mr. Pevenstein, and Mr. Rauch. Also present at the meeting were Dr. Caret, Mr. Vivona, Mr. Balakrishnan, Mr. Darmody, Ms. Doyle, Assistant Attorney General Langrill, Ms. Brasington, Ms. Buitren, Ms. Connolly, Ms. D'Ambrosio, Mr. Dubin, Mr. Duh, Mr. Fink, Mr. Green, Ms. Hess, Mr. Hughes, Mr. Lurie, Mr. Murray, Dr. Naft, Dr. Robilotto, Dr. Sandborn, Mr. Schreiber, Dr. Steiner, Dr. Varma, and Mr. Woodard.

1. Featured Start-Up – Martek Biosciences Corporation (Information Item)

Mr. Steve Dubin, former CEO of Martek Biosciences Corporation, presented highlights of the company and its technology. Martek, a component of Royal DSM, is a leader in the innovation, development, and production of high value products from microbial sources that promote health and wellness through nutrition. One example is the use of nutritional oils, ARA/DHA, in infant formula that is sold in over 80 countries.

Martek Biosciences has an extensive heritage with the Maryland Technology Enterprise Institute (Mtech). The company received services from the TAP business incubator; participated in the MIPS program; and obtained support from the Biotech Research and Education Program (BREP). The company was acquired by DSM for \$1.1 billion.

2. Maryland Technology Enterprise Institute (Mtech) – Entrepreneurship Programs and Initiatives (Information Item)

Mtech, an initiative of the Clark School of Engineering at the University of Maryland, provides a range of entrepreneurship programs that connect Maryland-based start-

ups with USM resources. Mtech is part of the UM Ventures ecosystem and its activities translate into job creation, tax base expansion, and university revenue.

Dr. Peter Sandborn, Director of Mtech and Professor in the Department of Mechanical Engineering at the University of Maryland, College Park, discussed the numerous entrepreneurship programs offered through Mtech, including an on-campus business incubator (TAP); VentureAccelerator, which helps faculty and students move technologies from bench to market; DC I-Corps, which takes 100+ companies per year through business model and customer discovery processes; Startup Shell, a student-run, on-campus incubator; Technology Ventures Building, a second-stage incubator; and the Maryland International Incubator, which brings in companies from outside the United States to establish operations in Maryland. The University of Maryland is one of five national nodes that provides I-Corps training and is the biggest and most active NSF I-Corps node.

In addition, Mtech's Maryland Industrial Partnerships (MIPS) program connects companies with faculty throughout the state's public universities to help bring new technology products to market. Through a cost sharing arrangement that supports participating faculty, more than 500 companies have developed technology-based products through MIPS. The resulting commercial products have generated more than \$30.3 billion in revenue and directly added more than 6,600 jobs to the state's economy. Products aided by MIPS include Martek Biosciences' nutritional oils, Hughes Communications' HughesNet™, MedImmune's Synagis®, Black & Decker's Bullet® Speed Tip Masonry Drill Bit, WellDoc's mobile diabetes management platform, and CSA Medical's diseased-tissue ablation platform.

Mtech also offers up to 30 classes per year and features two living-learning entrepreneurship programs for undergraduates, as well as the region's first Master of Technology Entrepreneurship degree. Squarespace (500+ employees), Alertus and FiscalNote are among the companies that have emerged from Mtech's education initiatives. The Mtech Coursera MOOC "Developing Innovative Ideas for New Companies" has had over 1 million students since 2013. Regent Brady and others emphasized the importance of communicating the value of Mtech's ecosystem to the State and other stakeholders.

3. Early Stage Investment Fund Opportunities (Information Item)

Mr. Jim Hughes, Director of UM Ventures and Chief Enterprise and Economic Development Officer at UMB, briefed the Committee on early stage investment fund opportunities. UM Ventures is seeking to create a \$25 million to \$50 million venture fund focused on investing in USM affiliated companies, such as companies based on USM-owned intellectual property, companies founded by USM students or recent graduates, and companies located in USM research parks.

An interim step could be for USM to invest \$20 million in approximately four Venture Capital Funds at approximately a \$5 million investment in each fund. It is likely that each of these VC funds would be between \$50 million and \$100 million in total size, with a strategy of making initial investments of \$500,000 to \$1,000,000 and the capacity to make follow-on investments. As part of its strategy, UM Ventures is also working with local VC firms that are interested in creating university-focused early stage investment funds. Mr. Hughes was asked to develop a full plan to bring back to the committee.

The public session was adjourned at 2:08 p.m.

Respectfully submitted,

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