



The Board of Regents Committee on Economic Development and Technology Commercialization

Minutes of the Public Session

June 10, 2021

The Committee on Economic Development and Technology Commercialization of the University System of Maryland (USM) Board of Regents met in public session on 12:30 pm on June 10, 2021 virtually.

Regent Leggett called the meeting to order at 12:32 pm.

Regents present were I. Leggett (chair), N. Sansom, B. Gossett, G. Attman, and L. Gooden. USM personnel present were J. Perman, T. Sadowski, L. Ryan, E. Herbst, J. Boughman, D. Wilkerson, T. McDonough, and E. Langrill. Other attendees were M. Lang. Presenters were A. Khademian, T. Williams-Koroma, M. Morris, K. Ulman.

Featured Startup: CyDeploy (Information Item)

Vice Chancellor Sadowski introduced Tina William-Koroma, CEO of CyDeploy. She has a J.D. from the University of Maryland and a computer science degree from UMBC. The company helps answer the question: if I make these software security updates, what will be the functional impact? The company uses artificial intelligence and machine learning to answer this question. This is important because businesses are not updating systems often enough, which promotes security breaches. They are working with UMBC researchers via the Maryland Industrial Partnerships program. They connected initially in 2019. In five years, they aim to have \$42M in annual revenues.

Ms. Gooden asked if they are working with cloud providers, and Ms. Williams-Koroma explained that that will be an ISV solution in the Microsoft software environment. They are also working with Microsoft through the Black Channel Partner Alliance. Regent Leggett asked about the intellectual property status. Ms. Williams-Koroma explained that they filed a provisional filing already and will work with the University of Maryland law clinic in the fall to continue that process. Mr. Sadowski added that the team won \$10k at the inaugural pitch competition for the UMBC-led Cyber Fellows program. Ms. Williams-Koroma added that they were able to have help from two fellows, one focused on product management, and one with cybersecurity expertise. The speakers for the fellows and technologists were also great, and she appreciated being able to ask questions of them as well. She has also been speaking with Mary Morris at UMB about the Baltimore Fund once they begin hiring and recently were able to secure free office space with her help.

UMCP Discovery Fund and UMB Baltimore Fund (Action Item)

Vice Chancellor Sadowski explained that there is a need to generate more opportunities for the Momentum Fund, and one way to do that is by investing at an earlier stage. He invited Ken Ulman, Chief Strategy Officer, Economic Development, University of Maryland, College Park Foundation, and Mary Morris, Director, Baltimore Fund, University of Maryland Baltimore to jointly present their requests regarding early-stage investment. Ms. Morris explained that based on success so far, the Baltimore Fund

and UMCP were allocated more funding by the legislature. The Finance Committee recommended approval of the related action item. Ms. Morris reviewed the success metrics for the Baltimore Fund, through instruments such as grants and loans. They would like to add an option to invest using Baltimore Fund. Mr. Ulman explained that they have been able to creatively leverage real estate and have worked with the Momentum Fund to help startups, but they would like to have a tool on the ground to make up to \$1M in investments in companies in Prince George's County. The investment criteria will be developed collaboratively with UMB. He explained that they have had a lot of success so far with limited resources, but capital at the early stage will be necessary to keep innovators in the state, as other states actively reach out to try to attract companies via capital. They are asking for \$1M of the \$2.5M annually from the approved State of Maryland funding that starts in FY 2023, but \$500k will be provided from President Pines to start investing before then.

Regent Leggett asked about the timeline and reasoning behind asking to spend \$1M. Mr. Ulman explained the \$1M decision was directly from President Pines, in order for funds to also be directed to activities such as other faculty retention and the new Quantum Foundry. There is no specific timeline or restrictions on when funding can be invested. Mr. Leggett made a motion to approve the request. Regent Gossett seconded the motion. All were in favor, and the motion was approved.

USG 2.0 and Life Sciences Network @ USG (Information Item)

Vice Chancellor Sadowski introduced Anne Khademian, Executive Director of the Universities at Shady Grove. Ms. Khademian explained that they are in a cornerstone location and an active partner with industry for workforce development. There are plans for USG to be greater connected to transit. They are in the process of convening strategic planning, chaired by Regent Leggett. They are developing a seamless, equitable educational ecosystem in Montgomery County. She detailed specific efforts in life sciences. She explained that the programs in the life science space are just starting, so it is a good time to get the foundation set, with mentoring, experiential learning, and research and education as one.

Regent Leggett asked about cross-institutional partnerships. Ms. Khademian said right now, partnerships are not as collaborative or holistic as they will be in the future. USG will offer new ways to collaborate that may not be available at the home campuses. Chancellor Perman said he and Ms. Khademian see USG as a major innovation hub for the System and get away from one-off efforts. USG will be a place to try things out, which will be an opportunity for students, faculty, and the business community. Ms. Gooden added that she has been affiliated with USG for 25 years, and this is the most comprehensive and forward-looking plan she has seen.

USM Office of Economic Development Update – Tom Sadowski, Vice Chancellor for Economic Development (Information Item)

Vice Chancellor Sadowski reviewed the recent COVID Research & Innovation Task Force efforts, legislative developments, and the Army Research Lab Opportunity. Ms. Broido Johnson presented the Momentum Fund, along with benchmarking information. She explained that over 60% of the total funding available has been invested. She explained that the Advisory Board consists of people who have investment expertise and volunteer their time and advice.

Regent Leggett asked about how the funds are being invested across the System. He suggested that one of the ways for greater representation would be to have some money set aside to get into early-stage

investments. However, that increases the risk. Vice Chancellor Sadowski explained that many of the investable opportunities are coming out of research institutions. He suggested a series of discussions about that, including equity versus revenue share-based investing, and said there are a lot of people in the community who can help USM evaluate and determine best approach. Regent Leggett said recognizing it as a concern and having a plan is better than saying that it is not a good fit for our portfolio right now. Vice Chancellor Sadowski thanked Ms. Broido Johnson for her great work in expanding the portfolio and in building USM's ecosystem. Chancellor Perman commented that we focus on our research-intensive institutions, but there is ample fruit all around the System.

The meeting ended at 1:59 pm.

Respectfully submitted,

Isiah Leggett, Chair
Committee on Economic Development
and Technology Commercialization

