



The Board of Regents Committee on Economic Development and Technology Commercialization

Minutes of the Public Session

April 13, 2022

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 April 13, 2022, virtually.

Regent Leggett called the meeting to order at 12:40 pm.

Regents present were I. Leggett (chair), G. Attman (vice chair), M. Gill, A. Beams, L. Gooden, E. Fish, and R. Rauch. USM personnel present were L. Ryan, E. Herbst, M. Lurie, D. Wilkerson, J. Boughman, J. Perman, T. McDonough, and E. Langrill. The guest presenter was K. Brown.

Chancellor Perman said that he looks forward to this meeting because it is a central part of the mission. Comments in the Finance Committee showed the importance placed in attracting startups, and helping companies succeed and hopefully stay in Maryland is an important part of the USM mission. Regent Gooden agreed and commented that the quick approval for additional Momentum Fund funding in this Committee and the Finance Committee is a strong indication of how highly the work of this Committee is seen.

#### **Featured Startup: EnGen (Information Item)**

Ms. Brown, Founder and Chief Education Officer of EnGen, presented her slides. EnGen received Momentum Fund investment in January of 2021. Katie Nielson is a graduate of the University of Maryland, College Park. Ms. Brown highlighted how her career path has prepared her to launch this startup, which she brought out of the company at which she was previously employed. She detailed the impacts of the platform, for which there was also recently a press release. She also discussed the pilot with the University System of Maryland, which not only included workers in front-line types of roles, but also graduate students.

Regent Leggett asked about scaling and competition. Ms. Brown said it is designed for scale from a technical perspective and from a business model perspective, especially working through employers. They are working with every state with large employers of front-line workers. However, they are also growing interactions with higher education, workforce development organizations, and employers. There is no direct competition doing something at this at scale. One other company works specifically in the workforce development market. They also compete with traditional ESL programs, however, there is great attrition from those programs generally a poor track record or even predatory reputations.

Chancellor Perman said he is intrigued about the benefits for university employees but also curious about those for students and if they have examples already. Ms. Brown said that they are working on examples and have been in discussion with several universities. The platform is equipped to work for any university that wants to make it a priority. It could be a way to boost enrollment and enhance access. Chancellor Perman said he would like to have a conversation about that. Regent Gooden agreed that

enabling people with skills to enter employment is important to the business community. She was curious about the business model. Ms. Brown said it is a license model, with seats to the platform. The price changes based on wrap-around services provided. Organizations such as businesses or workforce development organizations, including departments of labor, are the sponsors. Regent Beams asked if there is any role for native English speakers or bilingual people within the field but not necessarily trained as educators. Ms. Brown said that coaches and counselors support people as part of those wrap-around services. Regent Beams asked further about integrating with higher education. Ms. Brown said she is trying to address the needs of as many non-native English speakers as possible, so being flexible and working with higher ed is important. Regent Beams said this seems particularly important for healthcare. She asked about native English speakers being able to learn the language of the people they are serving. Ms. Brown said they do not currently address that. However, she said it is great to start with a mindset that not speaking English as a first language is not a deficit, and that there is potential for this platform to be used in many ways.

### **Early-Stage Support Feasibility Study Recommendations (Discussion Item)**

Ms. Ryan, USM Interim Executive Director of Economic Development, presented the recommendations from the feasibility study requested by the Committee in September of 2021. Ms. Ryan summarized the existing support for early-stage entrepreneurs across the USM, including mentoring and approximately \$4M in capital annually. This is particularly important, given the feedback from all stakeholder types that optimizing and coordinating with existing supports in the state should be favored over developing new resources. Ms. Ryan also described challenges that were surfaced from the analysis that was undertaken to provide the recommendations. The recommendations included: 1) More effectively coordinating and communicating existing entrepreneurial (human and other) resources; 2) Enhancing selected existing entrepreneurial resources; and 3) in the context of the other recommendations, enable flexible, nonprescriptive early capital to be deployed alongside resources and accountability. Finally, Ms. Ryan described a potential pilot for the recommendation regarding early capital.

Regent Gill asked for more information on the aims and whether they were aimed at people with ideas or toward more industrious economic development goals. Ms. Ryan stated that one goal was access, such that people with ideas can best leverage existing resources and go on to produce economic activity, either with that venture, or in some case with the next venture. For larger amounts of capital, more emphasis will be placed on the potential for direct economic development outcomes.

Ms. Herbst added that Regent Leggett specifically asked USM to identify where the Maryland Momentum Fund was not providing as many benefits, including geographic and institutional considerations. She said that Ms. Ryan pulled together information on what is already happening to ask about those gaps as well. Ms. Herbst said she was also surprised to the message of great connecting and enhancing what is already done. It gives clues as to how the System can help each of the activity bases. We also likely haven't spent as much time talking about lower-profile activities as we can.

Regent Gill asked if the USMO is reacting to the institutions or if they are reacting to the USMO. Ms. Herbst said as with many things at the System, the approach is to understand what is happening and support it either directly or being a forum to bring institutions together to share best practices.

Regent Leggett said he was moved by some of things smaller universities are doing. There is likely even more untapped potential and need than we know about, and we need to help at those institutions. It

also provides a level of credibility to citizens and legislators, who want to see the impact USM has across the State.

Regent Gill asked if there was a point of contact at each institution. Ms. Ryan replied that there is at least one and in some cases several at each institution. Much of this work has been carried out through the USM Economic Development partners, which is a community of about 75 folks across USM supporting entrepreneurs and/or innovation, economic, and workforce development.

Regent Gill commented that real-life case studies will help in marketing and reporting. Regent Leggett agreed and said hopefully real-life case studies will emerge once an early capital program is moving. Regent Leggett followed up about marketing the program and making sure it is accessible for entrepreneurs while also having a level of rigor in decision-making and reporting. Ms. Ryan responded that marketing strategy will have to be worked out, especially considering diversity, equity, and inclusion issues with things as simple as the word “entrepreneur”, which some people may not see themselves as despite carrying out the activities these recommendations would like to support. Regent Leggett also said we need to be careful about ensuring outcomes because they may take time, and many early ventures fail. However, he said a few successes will be very impactful.

#### **USM Office Of Economic Development Updates (Information Item)**

Ms. Ryan, USM Interim Executive Director of Economic Development provided an overview of economic development and state legislative activity, good news from across USM, and an update to the USM Economic Impact study regarding benchmarking. She noted the recent addition to the Momentum Fund portfolio, GivHero. Finally, she presented the Venture Development Report.

Regent Leggett said we have to make sure that we are able to connect all of this in the way to provide economic results. We’re doing a great job but we can do more. We are fighting below our weight class. Regent Leggett said it is a delight to have Regent Gill on the Committee because connecting to Commerce and industry is very important in this work.

Chancellor Perman said he would like to inform the Committee about where they are in the search for a Vice Chancellor. He said that linking the research enterprise to economic development is important. We have a robust research enterprise from which much of this grows, and we are highly ranked in the country. However, we can do better. We particularly can do better by lifting up institutions that are not R1s. If you walk the UMES or FSU campuses, you will find scholarship with commercial potential. He thanked Ms. Ryan for maintaining activity in the meantime. They have 10 very good candidates who are being interviewed in the coming months. They will be asking experts on the campuses to weigh in first. They will also need to speak with Presidents and potentially Committee members. They want someone who understands research, who can walk into a laboratory and understand what is happening. They also need to talk to the business community and hopefully have experience in research commercialization and technology transfer. Regent Leggett asked about timeline. Ms. Herbst said they aim to have finalists in early May. They want to have a hire before the end of this academic year. The meeting was called to a close at 2:00pm.

Respectfully submitted,

Isiah Leggett, Chair  
Committee on Economic Development and Technology Commercialization