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TO: Robert Caret, Chancellor
 FROM: Joseph F. Vivona, Vice Chancellor for Administration and Finance / Chief Operating Officer
 SUBJ: Recommendation for Certification of UMCP Proposed New Company as a High Impact Economic Development Activity
 DATE: April 11, 2016

This document formalizes approval for a request from the University of Maryland College Park for certification of its proposed new company, the Maryland Development Center, LLC, as a High Impact Economic Development Activity (HIEDA).

My staff and I have been reviewed materials and documents for the proposed entity.

Board of Regents Policy Requirement	Information and Review Results
<i>The type of activity (disposition of real or personal property assets important to the activity, establishment of a new entity, or other)</i>	Creation of a separate and distinct company to commercialize University owned intellectual property, creating startup companies based on the technologies.
<i>A description of the economic implications of the proposed activity on the State or the System</i>	The new company will increase revenues and economic activity in the state through engagement with strategic partners willing to fund commercialization and development activities.
<i>Identification of the specific criteria for which the High Impact Economic Development Activity will be certified and the expected timeframe for which the criteria cited will be achieved</i>	The new company is expected to attain more than \$1,000,000 in additional revenues by year 3, and have established several new companies over that time period.
<i>If the High Impact Economic Development Activity calls for the creation or investment in a new and distinct entity, a detail of institutional or System resources required either through investment in return for an equity ownership position, use of institutional resources, and the expected benefit to the institution, the USM and the State.</i>	Maryland Development Center, LLC plans to license intellectual property assets from UMB and UMCP, and potentially other research institutions.

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Board of Regents Policy Requirement	Information and Review Results
<i>If an entity is to be created, the legal form of the entity, proposed organizational documents such as articles of incorporation and by-laws, its initial and projected ownership, governance structure, the benefit or motivation for creating or requiring a new entity, and the expected business or contractual relationships, if any, between the System and its institutions, and the new entity to be formed.</i>	The new company is to be organized as a Limited Liability Corporation with 7 initial partners, mostly faculty members from UMB.
<i>A business plan covering no less than the first five years of operation of a High Impact Economic Development Activity.</i>	A business plan has been received and reviewed.
<i>If institution or System staff or faculty are to participate in a High Impact Economic Development Activity, a detail of the positions or staff members, their planned participation, identification of any personal or monetary benefit that the System staff or faculty could potentially realize from the activity, and whether or not potential conflicts of interest concerning state employees have been reviewed by institutional conflict of interest committees (with any resulting conflict of interest management plan proposed).</i>	Gil Blankenship received a conflict of interest determination from UMCP on October 15, 2015, relating to his role and activities with Maryland Development Center, LLC. UMCP required Dr. Blankenship to resign his positions as Venture Coordinator for UM Ventures and his position as a site miner for the Maryland Innovation Initiative (MII) program.
<i>The potential impact on current institution employees who may not participate as employees of the proposed entity; and</i>	None identified.
<i>Approval or conclusion of the Conflict of Interest Committee consideration.</i>	Conflict of interest forms resulting from UMCP process have been received and reviewed.

Based on the review of the business plan, the organizational documents, the results of UMCP’s conflict of interest committee deliberations, we recommend that you certify UMCP’s new company, the Maryland Development Center, LLC, as a High Impact Economic Development Activity as defined by the Education Article, Division III, Title 12-104.1, High Impact Economic Development Activities, and the Board of Regents Policy on High Impact Economic Development Activities.

Please sign below, indicating your concurrence and approval of the request for certification.

Thank you.



Robert Caret, Chancellor



Date