



November 29, 2016

The Honorable Thomas V. Mike Miller, Jr.
President, Maryland Senate
State House, H-107
Annapolis, Maryland 21401-1991

The Honorable Michael E. Busch
Speaker, Maryland House of Delegates
State House, H-101
Annapolis, Maryland 21401-1991

RE: Maryland Public-Private Partnership Marketing Corporation Annual Report

Dear President Miller and Speaker Busch:

In accordance with Economic Development Article, Section 10-912, Annotated Code of Maryland, the Maryland Public-Private Partnership Marketing Corporation is pleased to submit its Fiscal Year 2016 Report to the General Assembly. This report includes a review of activities undertaken by the Corporation during its first months of existence.

We look forward to your review of the report and will be pleased to provide any additional information regarding the Corporation. If we can be of further assistance, or if you have any questions regarding this report, please contact Allison S. Mayer, Executive Director, at 410-767-6272.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Gill".

R. Michael Gill
Chairman

Enclosure



**FISCAL YEAR 2016 ANNUAL REPORT
OF THE
MARYLAND PUBLIC-PRIVATE PARTNERSHIP
MARKETING CORPORATION**

**ALSO KNOWN AS THE
MARYLAND MARKETING PARTNERSHIP**
As required by the Maryland Code of Laws, Chapter 141, Section 10-912

Respectfully submitted to the General Assembly of Maryland by

R. Michael Gill, Chairman
Allison S. Mayer, Executive Director
Maryland Marketing Partnership
401 East Pratt Street
Baltimore, MD 21202
November 2016



Larry Hogan, Governor | Boyd Rutherford, Lt. Governor

OPEN *for* **Business**

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Maryland Marketing Partnership Background

Created by Chapter 141, Acts of 2015, the Maryland Public-Private Partnership Marketing Corporation, operating under the trade name Maryland Marketing Partnership, is a cooperative venture of the state, private businesses and industry and economic development partners. The Partnership is a body politic and corporate and instrumentality of the state, with the purposes of:

- Creating a branding strategy for the state;
- Marketing the state's assets to out-of-state businesses;
- Recruiting out-of-state businesses to locate and grow in the state; and
- Fostering partnerships that encourage the location and development of new businesses in the state.

The Partnership's Board of Directors consists of seventeen (17) members, who represent state government and private industry, including the Secretary of Commerce, designees from the Senate and House of Delegates, and members representing businesses, non-profit organizations, marketing and advertising, labor, public relations and communications and economic development.

Membership

The Board's membership is comprised of:

- Henry Fawell, Founder and President, Campfire Communications
- Julie Garner, Director of Government Affairs, AstraZeneca
- Secretary Mike Gill, Maryland Department of Commerce
- Keasha Haythe, President and CEO, Zoe Economic Development Group, LLC
- Senator Cheryl Kagan (*non-voting*)
- Joshua Martin, Controller, Volvo Group
- Ammanuel Moore, Economic Development Manager, BGE
- Captain Eric Nielsen, President, Association of Maryland Pilots
- Paul Nolan, Vice President of Tax and Government Affairs, McCormick & Co., Inc.
- Leonard Raley, President and CEO, University System of Maryland Foundation
- David Rodich, Executive Eirector, Service Employees International Union (SEIU) Local 500
- Tom Sadowski, Vice Chancellor for Economic Development, University System of Maryland
- Marcus Stephens, Executive Creative Director, Plank Industries
- Angela Sweeney, Vice President and Chief Marketing Officer, Peterson Companies
- Aaron Tomarchio, Vice President of Corporate Affairs, Tradepoint Atlantic
- Delegate Kris Valderrama (*non-voting*)
- Laura Van Eperen, CEO, Van Eperen

Members serving on the Board's Executive Committee, as elected during the Partnership's April 27, 2016 meeting, are as follows: Mike Gill, Chairman; Tom Sadowski, Vice Chairman; Keasha Haythe, Secretary; and Leonard Raley, Treasurer.

Additionally, two informal subcommittees were established in 2016. The Request for Proposals (RFP) Subcommittee guided the process of soliciting and selecting a creative agency to spearhead the Partnership's branding work. The Event Subcommittee evaluated and initiated planning for a business summit expected to take place in Spring 2017.

FY2016 Activities and Meetings

Governor Hogan's appointments to the Board were submitted for consideration to the Maryland General Assembly during the 2016 legislative session. New members were screened by the Executive Nominations Committee, chaired by Sen. Jamie Raskin (D-Montgomery County), on March 21 and 28, 2016. All appointees were approved for service and sworn in at their local Circuit Courts.

The Board of Directors held its inaugural meeting on Wednesday, April 27 in Baltimore at the offices of Ellin & Tucker. During the meeting, the Board laid the groundwork for the organization's role and administration, elected officers to the executive committee and established a formalized working relationship between the Partnership and the Department of Commerce during the Partnership's ramp-up phase. This includes an interagency agreement that authorizes the Secretary of Commerce to appoint a Commerce employee to act as the Partnership's executive director with no additional compensation, as well as enables the Partnership to utilize Commerce employees as support staff at no financial cost. The term of the agreement is through June 30, 2018, unless terminated sooner in accordance with the agreement's terms and conditions. Minutes of the April 27 meeting are found in Appendix A.

Also in FY2016, the RFP Committee authorized the release of a Request for Proposals for Creative Services for the Partnership. The RFP was distributed to agencies across the state the first week of June. Chairman Mike Gill, the RFP Committee members, and staff hosted a conference call on June 13 to provide further information on Maryland's business development efforts and the overall vision of the team for the new brand. Out of 27 firms invited to bid, eight responded with written proposals by the deadline of July 1.

FY2017 Activities and Meetings

The Board of Directors met for the second time on Tuesday, July 26 in Columbia, Maryland, at the offices of TEDCO. Both committees that had been established in April reported on their progress. The RFP Committee had reviewed each of the eight written proposals for the creative services contract and invited five marketing agencies to present in person on August 24 at the World Trade Center in Baltimore. Agencies that had been invited to present to the Committee were: GKV, HZDG, Planit, Siquis and TBC. The Event Committee convened to further explore the idea of a Governor's Business Summit. While the group initially had targeted a fall event date, members instead advocated for a spring time frame to coincide with the Preakness Stakes.

Additionally, the Board discussed its fundraising strategy to engage private sector partners to further the Partnership's ability to promote the state's business message. Minutes of the July 26 meeting are attached as Appendix B.

The Board of Directors convened for a special conference call meeting on Tuesday, September 20 to vote on the selection of HZDG, based in Rockville, as the creative agency for the Partnership's major branding work. Minutes of the September 20 meeting are attached as Appendix C.

The Board of Directors additionally met on Tuesday, October 25 at National Harbor for an input session with HZDG. Due to the lack of a quorum, the Board deferred its business meeting to Monday, November 7 via conference call. Minutes for these meetings have not yet been approved by the Board of Directors.

Future meetings of the Board are planned for January, April, July and October 2017. Dates are to be determined and will be posted in compliance with the Open Meetings Act.

Financial Report

As of July 1, 2016, the Partnership had a total of \$1.4 million in committed funding. A sum of \$1 million was appropriated to the Partnership in the Fiscal Year 2017 Budget, submitted by Governor Hogan and approved by the Maryland General Assembly during the 2016 legislative session. In addition, the Maryland Department of Commerce granted \$400,000 in funds to the Partnership intended to be used toward the Partnership's activities, including the creative branding work and subsequent business-focused marketing campaign.

Subsequent funding for the 2017 operating year is expected to be raised from the private sector, as laid out in the legislation.

APPENDIX A

Maryland Marketing Partnership Board of Directors Meeting Minutes April 27, 2016

Board members in attendance:

Secretary Mike Gill
Julie Garner
The Honorable Cheryl Kagan
Keasha Haythe
Joshua Martin
Captain Eric Nielsen
Paul Nolan
Leonard Raley
David Rodich
Marcus Stephens
Angela Sweeney
The Honorable Kris Valderrama
Laura Van Eperen

Board members absent:

Henry Fawell
Ammanuel Moore
Tom Sadowski
Aaron Tomarchio

Staff members in attendance:

Allison Mayer
Liz Fitzsimmons
Bill Chen
Sherri Diehl
Lutisha Williams

MEETING COMMENCEMENT

The meeting began promptly at 1:00 p.m. in the 3rd Floor Conference Room of Ellin & Tucker, 400 E. Pratt Street – Baltimore, Maryland.

I. Call to Order and Introductions

Secretary Mike Gill greeted those in attendance. Board Members and staff present at the meeting individually introduced themselves.

II. Discussion of Purpose

Secretary Gill yield to Allison Mayer to talk about the administrative items, i.e., the Bylaws and the Memorandum of Understanding (MOU).

III. Presentation of Bylaws

Ms. Mayer directed everyone's attention to the Bylaws and Article V regarding Authority to Expend Economic Development Marketing Funds.

Secretary Gill requested a motion to approve the "Bylaws" as outlined. Mr. Stephens moved to approve the "Bylaws" and Ms. Haythe seconded. The motion passed unanimously. Secretary Gill then asked if there were any discussion or questions.

Ms. Van Eperen asked about startup funding to the organization. Ms. Mayer stated that \$1 million has been set aside in the Governor's budget for FY2017.

Mr. Raley asked about the affirmative vote of the Board as to what constitutes a majority vote is a minimum of nine. Ms. Mayer confirmed that the statute indicates that nine affirmative votes constitutes an action.

Board had a legal discussion with legal counsel regarding the extent to which the P3 was subject to open meeting laws.

IV. Election of Officers

In accordance with the Bylaws, the Board moved to elect officers.

Mr. Raley nominated Secretary Mike Gill to be Chairman of the Board. The motion was second by Ms. Garner. The motion passed unanimously.

Chairman Gill nominated Tom Sadowski to be Vice-Chairman, Leonard Raley to be Treasurer and Keasha Haythe to be Secretary. Ms. Sweeney moved to accept Chairman Gill's nominations. Mr. Stephens seconded the motion. After a brief discussion on the nominations, the Board voted unanimously to appoint Mr. Sadowski as Vice Chairman, Ms. Raley as Treasurer, and Ms. Haythe as Secretary.

V. Administration of the Corporation

Chairman Gill introduced the proposed Memorandum of Understanding (MOU) between the P3 and Commerce wherein the P3 would hire Commerce to staff to the P3. Also, Chairman Gill discussed that while Commerce has the staff and talent in place to manage the P3, there will be a need to bring on board a person with a development background who will work closely with the staff and Board to go out into the marketplace and ask for financial support from enterprises throughout the State of Maryland.

The Board had a legal discussion with legal counsel regarding the MOU.

Because it would take several weeks before the MOU could be approved by all parties and executed, Mr. Raley moved to appoint Ms. Mayer as Interim Executive Director of the P3 pending the approval of the MOU and appointment of a permanent Executive Director. Mr. Rodich seconded the motion. The Board passed the motion unanimously.

Del. Valderrama offered clarification on the role of non-voting members, herself and Sen. Kagan, as participating in discussions but not voting on the Board's business matters.

The Board discussed how the P3's finances would be managed. Ms. Mayer also discussed the annual reporting requirements. Ms. Mayer also explained that since the P3 is an instrument of the State of Maryland, it does not receive non-profit status.

VI. What's in a Name?

The Board discussed using a trade name. Ms. Mayer suggested using Maryland Marketing Partnership as a trade name. The Board unanimously voted to use Maryland Marketing Partnership as a trade name.

VII. Why Location Branding Matters

After completing administrative matters, the Board discussed the goals and purposes of the P3 as set out in the statute. The Board reviewed past branding strategies of Maryland as well as other states. Finally, the Board also discussed the assets that make Maryland attractive to businesses as well as the liabilities that make Maryland unattractive to businesses.

Ms. Mayer suggested that the Board's first major order of business was to issue an RFP in order to hire a creative services firm to help Maryland develop a successful brand. The brand message and subsequent business campaign would be augmented through Commerce activities, such as attending trade shows around the world and communicating Maryland's competitive strengths through targeted marketing, and leveraging tourism marketing efforts as well.

Chairman Gill suggested establishing a subset of the Board who would spearhead the RFP process. Chairman Gill nominated Ms. Van Eperen, Ms. Sweeney, Mr. Stephens, Mr. Falwell and Mr. Raley to serve on the RFP Committee. The Board unanimously approved the nominations.

VIII. Special Event Discussion

Chairman Gill shared with the Board an idea to create a business summit this fall. The event would be one day, with a maximum of one and a half days of activities, with the purpose of promoting Maryland. Chairman Gill nominated Ms. Haythe, Mr. Tomarchio, Mr. Moore, Ms. Garner, Mr. Sadowski and Mr. Rodich to serve on the Event Committee. Sen. Kagan expressed interest in participating on the committee and was therefore nominated to serve on the Event Committee as well. The Board unanimously approved the nominations.

IX. Future Meeting Dates

The next meeting date was to be determined, and members were to be advised of its scheduling.

Adjournment: The business meeting adjourned at 2:45 p.m.

APPENDIX B

Maryland Marketing Partnership Board of Directors Meeting Minutes July 26, 2016

Board members in attendance:

Henry Falwell
Secretary Mike Gill, Chairman
Josh Martin
Paul Nolan
Leonard Raley
David Rodich
Tom Sadowski
Marcus Stephens
Angela Sweeney*
Aaron Tomarchio
The Honorable Kris Valderrama
Laura Van Eperen*

Board members absent:

Julie Garner
Keasha Haythe
The Honorable Cheryl Kagan
Ammanuel Moore
Capt. Eric Nielsen

Staff members in attendance:

Allison Mayer
Liz Fitzsimmons
Bill Chen
Sherri Diehl
Lutisha Williams
Carolyn O'Keefe

MEETING COMMENCEMENT

The meeting began at 2:15 p.m. in the Conference Room of TEDCO, 7021 Columbia Gateway Drive – Columbia, MD 21406.

I. Call to Order

Chairman Gill greeted those in attendance. TEDCO President & Chief Operating Officer John Wasilisin welcomed Board members and discussed the mission of TEDCO and its partnership

with the Department of Commerce on economic development efforts geared toward the innovation and entrepreneurship sector.

II. Approval of Minutes – April 27, 2016 Meeting

Ms. Mayer indicated that minutes of the April 27th meeting were distributed to members in advance and provided in their packets. Mr. Nolan moved to approve the minutes and Mr. Sadowski seconded the motion.

III. Revised MOU/Interagency Agreement

The Board had a discussion with legal counsel on the revised Interagency Agreement (previously referred to as a Memorandum of Understanding). Mr. Rodich moved to approve the Interagency Agreement and Mr. Nolan seconded. The motion passed unanimously.

IV. Committee Reports

Request for Proposals (RFP) Committee: Ms. Sweeney provided an update of the RFP process. The committee sought creative agencies around the State to bid on the branding and business campaign work. Out of 27 firms invited to participate, eight firms submitted written proposals and five were invited to present in person to the core team on August 24, 2016.

Agencies who were invited to present were:

- a. Planit
- b. Siquis, LTD
- c. TBC
- d. HZDG
- e. GKV

Event Committee: Mr. Sadowski updated the Board on the work of the Event Committee regarding planning the Governor's Business Summit. The event would target an attendance of 500 business leaders for a day-long session in the greater Baltimore region.

He suggested waiting until the Spring of 2017 for the Summit in order to have additional lead time for planning and to get on the calendars of the high-level speakers the committee would invite to present. Chairman Gill agreed with timeframe for the Summit. Ms. Mayer reinforced that fall dates are conflicting and asked for concurrence among the Board to focus on the Spring.

Mr. Stephens suggested to tie the event to the Preakness. Chairman Gill supports that idea to do it the 2nd week in May. The Board agreed with proceeding with this strategy.

V. Financial Update and Upcoming Promotional Opportunities

Mr. Raley summarized that the Partnership is starting out with a total of \$1.4 million in funding, with \$1 million appropriated for fiscal year 2017 in the Governor's budget, which was approved

by the General Assembly in the recent session, and that Commerce is providing a grant in the amount of \$400,000 to support marketing and promotional efforts.

VI. Sponsorship Discussion

Ms. Mayer directed the Board's attention to the activity calendar where she focused on the 2017 Constellation Senior Players tournament, to be hosted at Caves Valley in Baltimore County. Chairman Gill reinforced the significance of this event in terms of bringing attention to Maryland. Ms. Mayer mentioned that the Maryland Marketing Partnership would have a presence at the event.

Ms. Mayer then introduced Ms. O'Keefe as the Partnership's contractor for fundraising opportunities. Ms. O'Keefe outlined the proposed sponsorship levels and benefits to "Maryland Business Champions" and asked Board members to submit five potential prospect names for this initiative.

Mr. Raley expressed a desire to see longer term commitment from partners by offering multiple-year agreements. There was additional discussion around goals and benefits to donors.

VII. Housekeeping: Financial Disclosures Due

Ms. Mayer reminded Board members that financial disclosures were due on July 28, 2016. Next in-person meeting will be in October (TBD), with the possibility of a conference call meeting to approve the selection of the creative agency prior to that timeframe.

VIII. Good of the Order

None.

IX. Adjournment

The business meeting adjourned at 3:43 p.m.

APPENDIX C

Maryland Marketing Partnership Board of Directors Meeting Minutes September 20, 2016

Board members in attendance:

Henry Fawell
Keasha Haythe
The Honorable Cheryl Kagan
Ammanuel Moore
Paul Nolan
Leonard Raley
Tom Sadowski
Marcus Stephens
Angela Sweeney
Aaron Tomarchio

Board members absent:

Julie Garner
Secretary Mike Gill
Josh Martin
Capt. Eric Nielsen
David Rodich
The Honorable Kris Valderrama
Laura Van Eperen

Staff members in attendance:

Allison Mayer
Bill Chen
Sherri Diehl

MEETING COMMENCEMENT

The meeting began at 3:40 p.m. via Conference Call.

I. Call to Order

In Secretary Gill's absence, Ms. Mayer conducted a roll call of members in attendance to confirm that a quorum of nine voting members were in attendance.

II. Recommendation to Hire Creative Agency

Ms. Mayer recapped the work of the Request for Proposals (RFP) Committee, represented by Ms. Sweeney, Ms. Van Eperen, Mr. Fawell, Mr. Raley and Mr. Stephens. After hearing oral presentations by the five top-scoring agencies who submitted proposals, the committee selected

two finalist agencies for site visits and follow-up meetings: Planit of Baltimore City and HZDG of Rockville. The committee unanimously recommended HZDG as the Maryland Marketing Partnership's creative agency for branding and campaign work.

Ms. Sweeney reinforced the discussion, and Mr. Stephens offered his personal experience having worked with HZDG on previous projects.

Mr. Sadowski moved to authorize Ms. Mayer to proceed with bringing on HZDG, and Ms. Sweeney seconded. The Board unanimously approved the motion.

III. Next Meeting Date

Ms. Mayer expressed that the next in-person Board meeting would occur on Tuesday, October 25 at 1:30 p.m. The Peterson Companies will host the meeting at National Harbor.

IV. Adjournment

The call concluded at 3:55 p.m.