



Fiscal 2020
Annual Report



Maryland
DEPARTMENT OF COMMERCE

(a year like no other)



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Secretary's Message

Dear Friends and Partners,

I'm pleased to present the Maryland Department of Commerce's Fiscal 2020 Annual Report, which showcases all the ways our team has worked to help Maryland businesses during this turbulent and challenging period.

We began this fiscal year focused on our usual mission of helping Maryland businesses grow, attracting new companies to our state, and continuing to support Governor Hogan's visions of a Maryland that is truly "Open for Business." We worked tirelessly to increase prosperity for working Marylanders so they could build better lives for themselves and their families. With that prosperity comes increased economic stability and spending power for those who need it most.

Commerce helped bring major new employers to our state such as Kroger/Ocado in Frederick County, Aurinia Pharmaceuticals in Montgomery County and Helm Services in Baltimore City. Expansions include Aphenia Pharma Solutions in Talbot County, Oceaneering International in Anne Arundel County, and others.

We helped make 2020 "The Year of the Woman" by highlighting entrepreneurial women and women-owned businesses in Maryland to coincide with the 100th anniversary of the ratification of the 19th Amendment. Our Office of International Investment and Trade continued to lead Maryland delegations to trade shows and conferences all over the globe, showing the world why businesses should choose Maryland.

But with the onset of the coronavirus pandemic in the second half of FY 2020, the world became a very different place. Commerce's focus shifted from growing Maryland

companies and attracting new investment to sustaining Maryland businesses during this crisis.

We quickly launched new COVID-19 emergency relief programs for our small businesses, offering \$50 million in grants to more than 5,000 businesses and \$75 million in loans to more than 1,600 businesses. We also offered a new \$5 million grant program to help Maryland manufacturers produce the personal protective equipment, such as gowns and face shields, which were in high demand as our health care professionals cared for patients and our businesses worked to safely resume operations.

This report offers a thorough overview of Commerce's diverse efforts over the past year. I think it serves as an important reminder of Maryland's amazing assets and potential: our talented people, our innovative companies, our federal laboratories and military installations and our renowned research universities. These are the reasons we will triumph over adversity and overcome any obstacles Maryland faces.

We are strong together, and I look forward to continuing to work with all of you to make Maryland a great place to live, play, and do business.

Kelly M. Schulz,


Secretary

2020 Legislative Session Recap

Senate Bill 397 – Sales and Use Tax and Personal Property Tax – Exemptions – Data Centers (Chapter 640)

Exempts from the state sales and use tax the sale of qualified personal property for use at a qualified data center if, within three years after submitting an application for the exemption, an individual or corporation has (1) invested at least \$2 million in qualified data center personal property and created at least five qualified positions for a data center located within a Tier I area or (2) invested at least \$5 million in qualified data center personal property and created at least five qualified positions for a data center in any other area of the state. Also authorizes local governments to reduce or eliminate the percentage of the assessment of any data center personal property used in a qualified data center. **Effective July 1, 2020, and applies to taxable years beginning after June 30, 2020.**

Senate Bill 583/House Bill 521 – Maryland Small Business Innovation Research Technical Assistance Program – Establishment (Chapter 231)

Establishes the Maryland Small Business Innovation Research Technical Assistance Program to be administered by TEDCO, the Maryland Technology Development Corp. The program provides technical assistance to eligible small businesses to encourage and facilitate the receipt of grants under the federal SBIR and STTR programs. For the purposes of the program, a small business must have its principal business operations and over half of its workforce in the state and have no more than 50 employees. TEDCO may procure a nonprofit organization located in the state to provide services under the program. **Effective October 1, 2020.**



For the first time since the Civil War, Maryland lawmakers cut short their annual session on Wednesday, March 18, nearly three weeks early, in response to COVID-19.

Boards & Commissions

Maryland Economic Development Commission
Commerce Subcabinet
Advisory Council on the Impact of Regulations on Small Businesses
E-Innovation Initiative Fund Authority
Maryland Manufacturing Advisory Board
Maryland Marketing Partnership

Maryland Small Business Development Financing Authority
Maryland State Arts Council
MIDFA/MEDAAF Authority
Maryland Military Installation Council
Life Sciences Advisory Board
Public Art Commission
Tourism Development Board



Major Business Attraction & Expansion

Highlights

Kroger, Ocado select Maryland for high-tech fulfillment center

The Kroger Co., the nation's largest grocery retailer, plans to construct a 350,000-square-foot robotic customer fulfillment center in Frederick County. Upon completion, 400 jobs will be created with up to 100 more added later as the service areas of this facility expand.

Kroger is partnering with Ocado, one of the world's largest online grocery retailers, which will provide and maintain the digital and robotic equipment used at the facility. Together, the companies will automate the customer fulfillment center – also known as the “shed.” The Maryland site confirms an earlier announcement identifying the Mid-Atlantic region as one of the first shed locations.

To assist with project costs, the Maryland Department of Commerce approved a \$2 million conditional loan through Advantage Maryland, formerly the Maryland Economic Development Assistance Authority and Fund. Additionally, Frederick County has agreed to provide up to \$150,000 in permit fees, and the project is eligible for an estimated \$5 million in county commercial and industrial tax credits over the next 10 years. The companies are also eligible for local workforce services and state tax credits, including Maryland's Job Creation Tax Credit.

Global engineering company expands in Hanover, adding manufacturing, engineering jobs

Oceaneering International, a provider of engineered products and services, is adding approximately 24,000 square feet of office space to its Anne Arundel County operations, bringing the facility's space to about 157,000 square feet. The company currently employs 463 full-time workers in the county and anticipates having a total of 600 employees by December 2023.

Hanover, Maryland, serves as the regional headquarters for Oceaneering's Advanced Technologies division, and develops innovative technology and equipment for several industries, including the energy, aerospace, and commercial theme park sectors. Products and services include underwater remotely operated vehicles, automated guided vehicles for materials handling, specialty subsea production hardware, as well as manned diving, survey, and asset inspection and management.

To assist with project costs, the Maryland Department of Commerce has approved a \$150,000 conditional loan through Advantage Maryland. Additionally, Anne Arundel County is providing a \$15,000 workforce training grant to help with job growth at the project site. The company is also eligible for the More Jobs for Marylanders program, as well as the state's Job Creation Tax Credit.

Canadian biopharma company to open operations in Maryland

Aurinia Pharmaceuticals Inc., a late-stage clinical biopharmaceutical company based in British Columbia, Canada, plans to open its U.S. commercial operations in Rockville and bring up to 500 jobs to the region over the next seven years. The company, which is focused on developing and commercializing innovative products to treat debilitating diseases, is opening the facility as it prepares for the potential approval and launch of voclosporin, an investigational drug to treat lupus nephritis, in 2021.

“The state’s commitment to attracting and supporting leading innovators played a key role in our decision to establish Aurinia’s U.S. presence here, and we look forward to joining and contributing to the ecosystem of top-notch biopharmaceutical companies and research institutions in Montgomery County, while we build a global company.” — Peter Greenleaf, Aurinia president and CEO

To assist with project costs, the Maryland Department of Commerce has approved a \$2 million conditional loan through Advantage Maryland. Additionally, Montgomery County has approved a conditional grant of \$350,000 per phase of the project, with the City of Rockville contributing \$25,000 for each phase. The company is also eligible for Maryland’s Job Creation Tax Credit.

Aphena Pharma to add 100 jobs in Talbot County

Aphena Pharma Solutions is expanding its pharmaceutical manufacturing operations in Easton and adding 100 jobs over the next two years to its current complement of 150 full-time workers. The company, an industry-leading organization that provides packaging and manufacturing solutions for the medical industry, is purchasing an additional 54,000 square feet facility adjacent to its existing location, providing Aphena with a 27-acre pharmaceutical campus. Building renovations and the installation of new equipment are estimated to be completed by December 2020. The property acquisition, plus the planned renovations, represent a \$12.5 million reinvestment by Aphena in the Easton facility.

To assist with project costs, the Maryland Department of Commerce has approved a \$300,000 conditional loan through Advantage Maryland while Talbot County and the Town of Easton each approved a \$15,000 conditional grant. Aphena is also eligible for the More Jobs for Marylanders program, as well as the state’s Job Creation Tax Credit.

Helm Services Inc. to start operations in Baltimore City

Stripe Inc., a technology company that builds economic infrastructure for the internet, selected Baltimore City as the inaugural location for Helm Services Inc., its new subsidiary, to provide operational support for businesses using Stripe software. Helm will be located in a 44,000-square-foot space in McHenry Row and plans to create 200 full-time jobs in Baltimore over the next three years.



Businesses of every size — from new startups to public companies — use Stripe’s software to accept online payments and run technically sophisticated financial operations in more than 100 countries. Stripe helps companies get started and grow their revenues, and helps established businesses accelerate into new markets and launch new business models.

“We considered several cities across the country for Helm’s inaugural location, and Baltimore stood out for its unique combination of world-class educational institutions, talented and diverse workforce, and entrepreneurial spirit. We look forward to forming strong ties with the community and contributing to its culture of excellence and innovation.” — Patrick Mahoney, Helm president

To assist with project costs, the Maryland Department of Commerce has approved a \$600,000 conditional loan through Advantage Maryland. Additionally, the Baltimore Development Corp. is providing a \$150,000 conditional loan to help the company complete the project.

Phillips brings food production back to Maryland

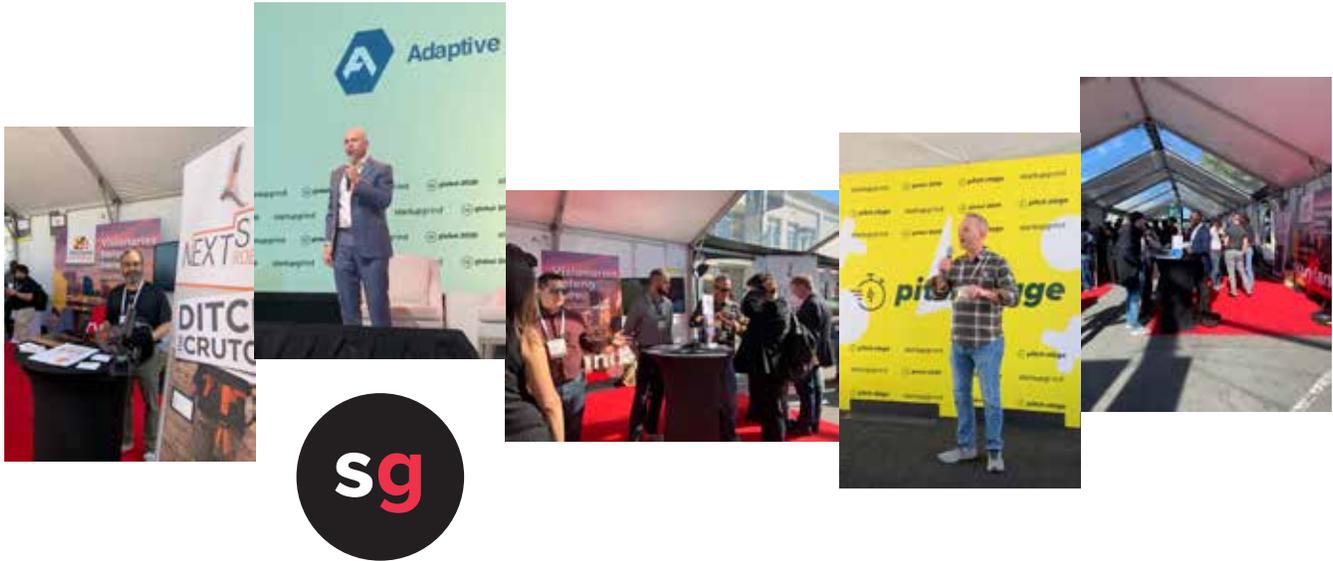
Phillips Foods, the family-owned and -operated company behind the locally famous Phillips Seafood Restaurants, is expanding its manufacturing presence in Baltimore County and adding 15 jobs where it will begin producing soup in Maryland for the first time in seven years. The company is also looking into producing additional grocery products at the Halethorpe facility, such as Phillips’ frozen crab pretzels and calamari, and will include a research and development space to support additional products in the market. To assist with the expansion, the company has submitted a notice of intent to take advantage of the More Jobs for Marylanders program, as well as the state’s Job Creation Tax Credit.

Established in 1914 on Hoopers Island in the Chesapeake Bay, the company has grown from a small seafood packing plant on the Chesapeake Bay to a global food manufacturer focused on quality, safety, and sustainability. With locations stretching from Atlanta to Buffalo, N.Y., Phillips’s legendary seafood is available in restaurants, casinos, and airports across the East Coast.

Select Recruitment and Expansion Projects

Company	Location County/City	Industry	New Jobs	Capital Investment (in millions)
Aphena Pharma Solutions	Talbot	Packaging	80	\$20
Aurinia Pharmaceuticals	Montgomery	Biopharmaceuticals	250	\$2
Bowery Farms	Baltimore	Organic vegetables	90	\$25
Ferraro Foods	Harford	Food distribution	60	\$3
Galen Robotics	Baltimore City	Medical robotics	150	\$2.7
GeneDx	Montgomery	Genomics/Genetic testing	35	\$18.1
Helm Services	Baltimore City	Software	200	\$3.6
KeHe Distributors	Cecil	Food distribution	125	\$55
Kroger/Ocado	Frederick	Food distribution	400	\$245
LAI International	Carroll	Precision manufacturing	37	\$1
Language Doctors	Prince George’s	Translation and linguistic services	100	\$0.2
Oceaneering International	Anne Arundel	Engineered products and services	135	\$3.75
Phillips Foods	Baltimore	Food manufacturing	15	\$0.3
Vigene Biosciences	Montgomery	Biotechnology	170	\$5

Driving Innovation and Growth



Maryland Commerce leads local innovators to Startup Grind Conference

Maryland Commerce led a delegation of Maryland startup companies for the state's first-time participation in the Startup Grind Global Conference in Silicon Valley, California. Eight Maryland companies were selected to showcase products/services to a global audience that attracts more than 10,000 entrepreneurs, startups, emerging and high growth companies, investors, and major national and international brands.

Maryland Commerce, in partnership with TEDCO, selected the companies through a competitive process, with the criteria that companies have fewer than 50 employees, an innovative product, and a demonstrated record of success with the potential to scale substantially. Local law firm NEXT, powered by Shulman Rogers, also provided support through sponsorship.

The eight Maryland companies:

- **Adaptive Phage Therapeutics**, a biotech based in Gaithersburg focused on advancing a permanent cure to bacterial superbug infections
- **HopFlyt**, a Lusby-based company working on an electrical Vertical Takeoff and Landing (eVTOL) aircraft for passenger urban aerial mobility
- **ICmed**, a Baltimore health care technology company creating accessibility and portability of secure consumer health information among patients, caregivers, and health care providers
- **MindStand Technologies**, a Baltimore-based artificial intelligence company that provides business owners with actionable insights on the engagement, productivity, and culture of their employees and/or students
- **NextStep Robotics**, a biotech in Baltimore developing robots and artificial intelligence to teach stroke victims how to walk again without assistive devices
- **Outlook/OVFX**, an entertainment and media company in Baltimore specializing in kids and pop culture content
- **SenSanna**, a Hanover-based company that works to bring connectivity and information to the industries that operate in the harshest conditions
- **Splice Therapeutics**, a biotech in Bethesda that invented the leading form of gene editing, RNA trans-splicing.



Endowments

Commerce among supporters to endow new research professorships and positions

Maryland Commerce; Loyola University Maryland; the University of Maryland, College Park; the University of Maryland Eastern Shore; and Washington College have endowed a total of more than \$10.6 million in new research professorships and positions.

The endowments were made through the Maryland E-Innovation Initiative Fund, a state program created to spur basic and applied research in scientific and technical fields at the colleges and universities. The schools raised more than \$6 million in combined private funding for each position, and Maryland Commerce approved matching grants of more than \$4.6 million to support the endowments.

Endowments:

- **The University of Maryland Eastern Shore (UMES)** plans to establish an Endowed Chair in Construction Management and Technology Innovation and attract an exceptional individual to join the UMES faculty who will lead an expanded Construction Management and Technology Program and also shape a new interdisciplinary program in entrepreneurship.
- **Loyola University Maryland** will establish an endowed professorship in innovation that will help expand scientific research in biohealth and promote economic and entrepreneurial success in Maryland. The endowed professor will work with the biohealth research firm Avoneaux Medical Institute and expand collaboration with Loyola's Center for Innovation & Entrepreneurship.
- **The University of Maryland, College Park, Clark School of Engineering** will build on existing strengths to recruit a director for the Brain and Behavior Institute to help to bring together neuroscience faculty and researchers across campus and develop connections between the College Park campus and the University of Maryland, Baltimore.
- **Washington College** will establish an endowed directorship for its 5,200-acre River and Field Campus, (RAFC). RAFC is an established research center for faculty and students in disciplines ranging from biology to anthropology and is poised to become an innovation hub for the study of a rural land management model.

Maryland Policy Academy to focus on growing manufacturers

Maryland was selected to participate in the Policy Academy on Strengthening Your State's Manufacturers, a unique program that fosters collaboration with other states and key partners to help strengthen the manufacturing industry. Maryland will join nine other states to build on existing strategies, share best practices, and spur new ideas on how to address manufacturer challenges and opportunities. Representatives from Maryland Commerce, the Maryland Manufacturing Extension Partnership, and two local manufacturing companies — Arnold Packaging and The Whalen Co. — attended the academy's kickoff meeting in August 2019.

The academy is organized by the State Science & Technology Institute and the Center for Regional Economic Competitiveness, with funding from the U.S. Department of Commerce NIST Manufacturing Extension Partnership Program. An advisory team of stakeholders and industry representatives was formed to help guide this initiative and provide feedback on recommendations.

Maryland Commerce supports small minority businesses with nearly \$1 million in financing

Maryland Commerce supported four small minority-owned businesses with a total of \$976,000 in loans, equity investments, and lines of credit through the Maryland Small Business Development Financing Authority. The businesses will use the funding to support expansions and facility improvements, as well as for product development, working capital, and equipment purchases.

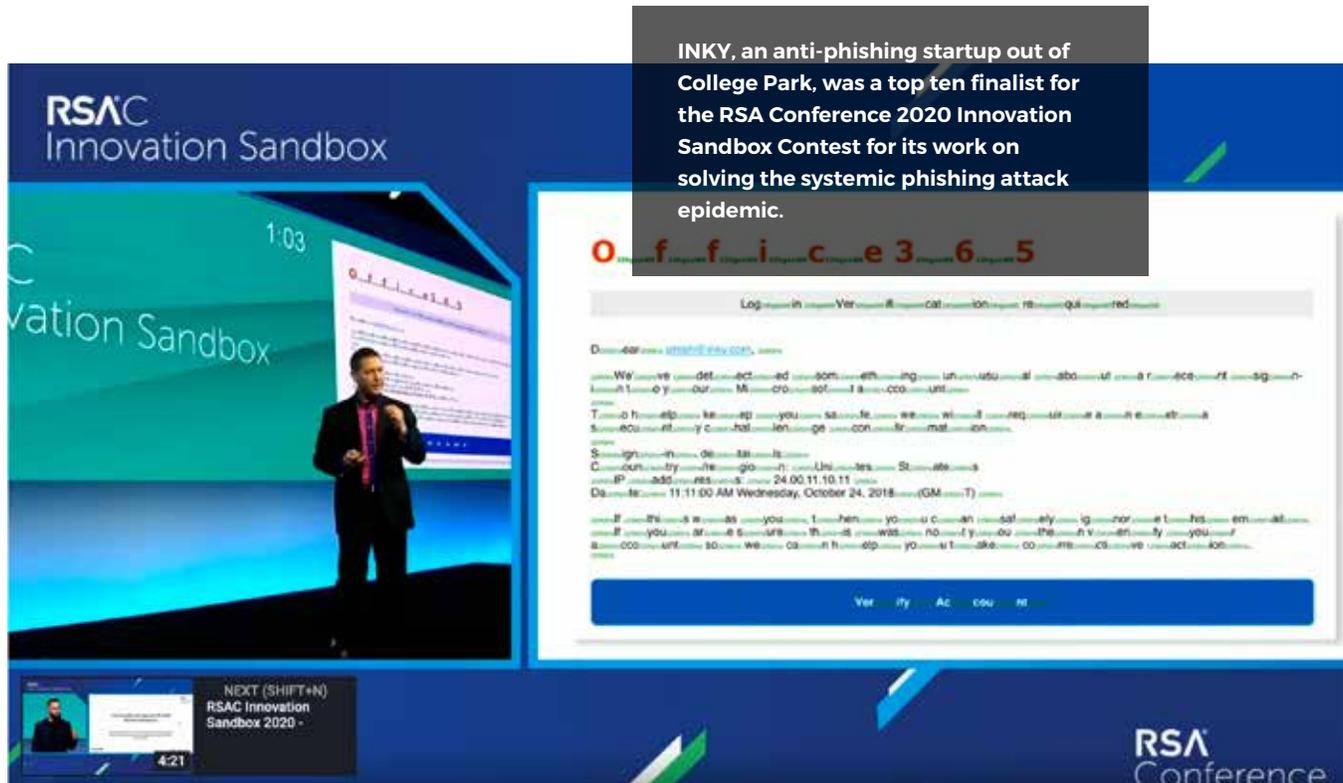
The businesses receiving financial assistance include Agent of Change, a Waldorf woman-owned business that provides mental health counseling services; BingeNow, a Columbia-based early-stage tech company focused on digital video management and monetization for content creators; DAR Healthcare Services, a woman-owned medical firm that plans to relocate to Randallstown; and Everywhere Communications, a cellular and satellite data communications company located in Annapolis.

Maryland's cybersecurity sector attends RSA 2020

Maryland Commerce joined a delegation of 15 Maryland cybersecurity companies, NIST and NSA, and economic development partners to attend RSA™ 2020. The nation's premier information security event draws more than 40,000 attendees to the Moscone Center in San Francisco. For the ninth consecutive year, Maryland's cybersecurity strengths were on display, with Maryland-based cybersecurity companies and experts among conference speakers and exhibitors.

Maryland Commerce joined Anne Arundel, Howard, Montgomery, and Prince George's counties as well as bwtech@UMBC at RSA. In addition to one-on-

one meetings with prospective companies, Maryland Commerce hosted a networking reception and a breakfast to highlight Maryland's cybersecurity ecosystem to global companies and investors with Jeff Cunningham, an investment manager with Lockheed Martin Ventures, as the breakfast keynote speaker. The Maryland RSA Pitch Competition hosted by iCyberCenter@bwtech presented up to 10 overseas and domestic companies, with each delivering a three-minute product pitch.



Ørsted and Tradepoint Atlantic announce offshore wind energy center

Tradepoint Atlantic, a 3,300-acre global logistics center in Baltimore County, announced a landmark agreement with Ørsted U.S. Offshore Wind to develop Maryland's first offshore wind energy staging center. This world-class, state-of-the-art facility for offshore wind marks a major milestone in the development of Ørsted's Skipjack offshore wind farm located 19.5 miles off Maryland's coast and in the expansion of the offshore wind energy workforce in Maryland. Ultimately, because of this new partnership, Tradepoint Atlantic is positioned to become

the supply chain leader up and down the East Coast for offshore wind energy — supporting and creating thousands of jobs in the process.

The partnership, a collaboration between Tradepoint Atlantic and global energy company Ørsted, will deliver 50 acres for the staging center, with 5 acres alongside Tradepoint's deep berth. Ørsted is currently working on Skipjack Wind Farm, an offshore site nearly 20 miles off the coast of Maryland, which is expected to begin construction in the next two years. According to the Baltimore Sun, Skipjack could create up to 1,400 jobs throughout the state and provide enough clean energy to power 35,000 homes.



Women in business: Angie Lienert continues growing cyber company IntelliGenesis

From becoming a U.S. Air Force veteran to founding the Howard County-based business IntelliGenesis, president and CEO Angie Lienert has made a name for herself in Maryland and beyond. After becoming a small business owner, Lienert knew she wanted to promote a supportive working environment where employees enjoyed their careers and felt a significant work/life balance. She also knew this was her chance to improve opportunities for other women and veterans in the industry. IntelliGenesis is a woman-owned and veteran-owned small business committed to hiring veterans and supporting national defense missions.

Formed in 2007, IntelliGenesis employs more than 135 workers across its four locations. Not only has the company consistently been listed among the “Best Places to Work” by The Washington Post and Baltimore Sun, but Inc. Magazine named it one of their top workplaces and featured Lienert on the front cover in 2019. She also served as the keynote speaker at the 2019 Governor’s Business Summit.

IntelliGenesis supports the Department of Defense and intelligence community customers by providing next-generation cyber services and analytics, machine learning and data science, all-source analysis, and mission application development. In addition to service-based efforts, the company also offers innovative commercial IT and cyber products to solve complex data challenges.



Drilling Down on Strategic Industries and Entrepreneurship

Waste Management

Commerce Subcabinet workgroup focuses on sustainable materials management

Statewide partnerships work toward Maryland’s first-ever sustainable materials management policy

Maryland’s Resource Recovery Plan empowered new partnerships across state government agencies, local governments, and the private sector to work toward a waste reduction and recovery strategy, a critical initiative of Maryland’s first-ever sustainable materials management policy (SM3).

Secretary Kelly Schulz and the Commerce Subcabinet organized a workgroup to expand the efforts of SM3

with an emphasis on products, policy, logistics, and commercialization, with added attention to remove regulatory burdens, complete landscape assessments of existing materials, and replicate best practices. Focus areas include food processing waste, recyclable computer equipment, and dredge materials from Maryland’s ports.

Along with Maryland Commerce, workgroup members include representatives from the Maryland Port Administration, and Maryland Departments of Energy, Agriculture, and Environment, all committed to finding new ways to market Maryland’s waste products to businesses, incubators, and others who can repurpose waste materials.



Neurotechnologies

Maryland Innovation and Technology Series

Collaboration with NIST programming focuses on underserved therapeutic areas such as neurotechnologies

The Maryland Innovation and Technology Series (MINT) program was developed in collaboration with the Technology Partnerships Office at NIST and the Federal Lab Consortium. Maryland is home to 78 federal labs – more than twice as many as any other state – including the National Institutes of Health (NIH), yet the state government was without a formal pathway to introduce Maryland companies to NIH clinicians and investigators. Through the MINT program, companies are invited to a half-day symposium to meet with researchers, technology transfer specialists, and innovators at NIH.

Meetings focus on therapeutic areas that are underserved by programs hosted by our industry’s major stakeholders. Most programming from MINT partners center on cancer or infectious disease, the predominant therapeutic areas of Maryland’s biotechnology companies. The MINT program also expands the biohealth industry’s reach by emphasizing Maryland’s other strengths such as neurotechnologies and autoimmunity. The ultimate aim of the MINT series meetings is to foster the creation of contract research and development agreements between Maryland companies and NIH investigators and to facilitate the licensing of NIH technologies to local companies.

Maryland’s inaugural MINT conference in December 2019 featured neurotechnology and hosted speakers from the industry, federal government, and academic institutions.



Forest Products

Collaborative study to stabilize and grow Maryland’s forest products

Renewed focus on timber industry developing strategies to advance state’s forest products sector

Maryland Commerce is partnering in a study with the Western Maryland Resource Conservation & Development Council, the Department of Natural Resources and others with the common goal of stabilizing, then growing the state’s forest products sector.

Project focus areas include mitigation of the prevailing economic downturn in Maryland’s forest products industry, analysis of the current forest industry, and a

strategic look at the unique market positions of each area of the state. Moreover, the study could help each county and region more fully understand the impact of the timber industry on their economies, and facilitate a renewed focus on this industry sector as an important part of local, regional, and state economic development strategies.

Funded by the U.S. Economic Development Administration, the study will conclude with a report – Economic Adjustment Strategy for Maryland’s Forest Products Sector – of sustainable strategies for advancing Maryland’s forest products sector in the coming decades, including an action plan for retention and growth. The action plan is slated for completion in Fall 2020.



Technology Transfer

Small Business Innovation Research and Technology Transfer Study

Extensive study leads to recommendations for Legislature

Following the 2019 Maryland General Assembly Legislative Session, Commerce was tasked with exploring issues surrounding federal investment, research, and funding to ensure Maryland’s ability to fully capitalize on

these important drivers of innovation and job creation. The result was an extensive study that highlighted the current activity in federal technology transfer and research and developed a set of recommendations for the Legislature to consider to accelerate technology transfer and increase federal investment in Maryland companies through the SBIR and STTR programs. Recommendations include creating a central tech transfer portal, providing I-Corps™ training, and encouraging the creation of a statewide association of tech transfer offices.

Networking and Resource Sharing

Grow Maryland's Federal Business Community

Maryland Commerce Office of Military and Federal Affairs
managed \$4.66M in federal funding in FY 2020

\$82M ROI

Maryland Defense Diversification Assistance

\$82M in potential return on investment of \$1.76M grant

A review of activity during MDDA's two-year effort to diversify Maryland's defense supply chain against possible negative impacts from Department of Defense (DoD) program or budgetary changes demonstrates an effective return on investment – \$82 million in potential impact – on the initial \$1.76 million Industry Resilience grant from the DoD Office of Economic Adjustment (OEA).

MDDA program impacts:

- Clients served: 92
- New sales: \$1.05 million
- Projected new sales (1-3 years): \$69.5 million
- New markets identified: 22
- New investments made: \$1 million
- Cost savings: \$370,000

“MDDA was a great avenue for a small company like us to learn about exporting and receive expert guidance. Orbis experienced a 32 percent increase in sales in its Australian unit, and the MDDA program was instrumental in that growth.” – Thuy Pisone, Orbis Technologies corporate executive vice president, Global Services

\$1 : \$1000 ROI

Federal grant to build on successful cybersecurity partnership

Phase I of OEA funding ROI generated \$1,000 of economic activity for every dollar

Maryland Commerce, in coordination with the Maryland Manufacturing Extension Partnership (MD MEP), was awarded a second federal grant to support the Maryland Defense Cybersecurity Assistance Program (DCAP), which helps Maryland defense contractors comply with federal cybersecurity standards so they can provide services to the federal government. Noncompliance with federal cybersecurity regulations may mean a company risks termination of its DoD contract; the DCAP program is designed to minimize or eliminate that risk. Awarded by the U.S. Department of Defense's Office of Economic Adjustment, the \$511,007 grant will fund the program through the end of January 2021.

“The Maryland DCAP program is critical to the infrastructure and security of our supply chain.”

– Michael Kelleher, Maryland Manufacturing Extension Partnership executive director

The new funds will allow the MD MEP, which administers the program, to inform hundreds of Maryland companies about federal cybersecurity guidelines as well as to provide services such as hosting educational workshops, providing assessments of companies' compliance with these guidelines, and assisting companies with mitigating issues that are preventing companies from complying.

DCAP Economic Impacts*

- \$385.9 million in retained sales
- \$142 million in increased sales
- 2,318 retained jobs
- 101 new jobs
- \$1,000:\$1 Return on Investment for OEA

**As reported by surveyed DCAP clients who received technical assistance*

Technology Transfer

Maryland Defense Technology Commercialization initiative update

DefTech currently has 525 clients and partners and 18 active patent inquiries in the pipeline

Maryland Commerce is halfway through a three-year grant from the Economic Development Administration to fund technology transfer activities centered around technologies from Department of Defense (DoD) labs led by staff at the Maryland Defense Technology Commercialization (DefTech) Center. DefTech staff is currently implementing outreach/awareness building, education, network building, and one-on-one mentorship/technical assistance of clients engaged in technology commercialization. The DefTech program includes 12 partner organizations across the state and three DefTech Center locations: Havre de Grace, Frederick, and Columbia.

FY 2020 DefTech Center activities:

- Held 23 open educational events on various topics related to technology commercialization
- Signed 28 new clients, including two Patent License Agreements and five Collaborative Research & Development Agreements with DoD labs
- DefTech Center clients created four startups, created 170 jobs, and attracted \$19 million in new investments.





Across Maryland

Western Maryland

“Interesting times portend opportunity and a future of promise and cooperation.” – Al Delia, vice president for Regional Development and Engagement, Frostburg State University

Allegany County

Western Maryland partners with surrounding states to elevate the economy

Creating alliances to turn opportunities for growth into realities

Frostburg State University Division of Regional Development and Engagement

The Division of Regional Development and Engagement (DRDE) works to connect Frostburg State University (FSU) with the community and to help bring together and lead the region toward opportunities to improve it. One successful example of this work was the creation and launch of a new regional economic development effort, the I-68 Regional Alliance, a collaborative effort with The Greater Cumberland Committee and the Appalachian Regional Commission (ARC).

The DRDE office also leverages the resources of FSU and the Small Business Development Center to support entrepreneurs. Frostburg alumni, including recent graduates, are being encouraged to bring their businesses to Western Maryland or create new ones in the region. The goal is also to sharpen and support the regional focus on industry clusters identified for their potential in the region. Those clusters include back-office operations for larger businesses such as financial, business, and information technology services; life sciences; health care, especially in the testing and development field; and regional opportunities in energy and farm-to-table food production.

Five counties join I-68 Alliance to develop business environment

Working to create alliances to turn opportunities for growth into realities, The Greater Cumberland Committee is acting as an incubator for the I-68 Regional Alliance. The goal is to promote economic prosperity along the I-68 corridor. Leadership from the region's economic development and tourism organizations lead the Alliance, whose footprint primarily covers Allegany and Garrett counties in Maryland, Bedford and Somerset counties in Pennsylvania, and Mineral County in West Virginia. The Alliance was formed to develop a business

environment focused on job creation, diversification, expansion, and entrepreneurship. Members of the I-68 Alliance are devising forceful plans to foster job creation in three targeted industry sectors: lifestyle manufacturing, aerospace sector supply chain, and information technology: security software and services. Events and activities aggressively marketing the region included a robust presence at Mountain Maryland PACE (Positive Attitudes Change Everything) at the end of January 2020 and collaborative efforts to foster an outdoor recreation market in the region.

Appalachian Regional Commission inaugurates leadership program

ARC's mission is to innovate, partner, and invest to build community capacity and strengthen economic growth in Appalachia to help the region achieve socioeconomic parity with the nation. As such, ARC developed a comprehensive leadership and economic development training opportunity called the Appalachian Leadership Institute (ALI) for people who live and/or work in Appalachia and are passionate about helping their communities thrive.

The Maryland Commerce senior business representative for Western Maryland and the executive director of The Greater Cumberland Committee were both chosen to participate in the inaugural class of ALI. Upon completion of the nine-month program, participants automatically become part of the Appalachian Leadership Institute Network, a peer-to-peer working group committed to Appalachia's future. ALI attendees will work directly with public policy, community development, education, investment, and other professionals who live and/or work in the region to:

- Design effective economic development project proposals
- Integrate community assets into long-lasting economic development strategies
- Identify resources available to spur economic development
- Locate and access investment capital from a variety of public and private sources
- Prepare competitive applications for public grant opportunities
- Use expanded leadership skills to create strong coalitions.

Garrett County

FireFly Farms expands eastward – during the pandemic

FireFly Farms, in Accident, Maryland, is one of the most awarded cheesemakers in the United States. The company's success continues as FireFly Farms Market, whose western Maryland farm and market serve cheeses and other assorted foods, opened a retail location at Whitehall Food Market, a former mill in Hampden, Western Maryland Moxie.



Washington County

Hagerstown's Vista Business Park fully leased

One of the largest speculative industrial buildings ever built in Maryland

Trammell Crow's distribution center building north of Hagerstown in the Vista Business Park is now fully leased, occupied, and hiring. Trammell Crow announced the industrial project in October 2018, and it was designed and constructed in 2019. Marketing the property began in earnest in 2019 with commercial real estate services company Jones Lang LaSalle (JLL) leading the effort. At 1.2 million square feet, it is one of the largest speculative industrial buildings ever built in Maryland. Commerce assisted during the planning stages and subsequent marketing of the property. Good news arrived in May 2020 when JLL secured a lease with a national tenant for the entire building as a new regional distribution center. Necessary modifications have been made to the building to meet specialized requirements.

Southern Maryland

Maryland veteran-owned business receives \$50,000 in financing

Growing company adds 44 jobs, tripling the previous count

Veteran-owned SRL Total Source, located in Waldorf, received \$50,000 in financing through the Military Personnel and Veteran-Owned Small Business No-Interest Loan Program. The company, a provider of medical, cyber, and health care staffing services for federal government agencies, will add 44 jobs and plans to use the funding to support expansions, infrastructure upgrades and equipment purchases.

The Military Personnel and Veteran-Owned Small Business No-Interest Loan Program was created in 2006 and is administered by Commerce in consultation with the Maryland Department of Veterans Affairs. Veterans, military reservists, and National Guard members who own a business are eligible to apply. The program also accepts applications from small businesses that employ military reservists and National Guard members called to active duty, as well as companies owned by or employing service-disabled veterans.

CHUTES International exploring distribution opportunities in South America

Work order submitted to Office of International Investment and Trade to identify potential partners

Waldorf-based CHUTES International™ requested the assistance of Maryland Commerce to identify possible distributors and importers for its trash and linen chutes and temporary construction debris chutes as well as for their compacting and recycling machines.

Market research of Colombia, with a subsequent report, reviewed the current status of the construction sector regulations regarding solid waste, biological risk, and recycling regulations in the country, as well as local laws and regulations on discharge duct systems. Additionally, the research identified a list of potential partners in Colombia. The next steps include a visit by CHUTES to Colombia to meet with identified qualified companies.

Colombia is entering a new era where trash final disposal has become an important issue with a wide range of regulations that mandate the producers of all sorts of disposable packaging to guarantee an established percentage of their annual production is reused. Implementation will be mandatory in every residential, commercial, and public building in the country in the coming years.

In 2018, Maryland Commerce provided similar assistance to CHUTES for operations in Mexico. Results to date are sales of about \$40,000.

“Maryland Commerce has been invaluable for us. Their expertise, assistance and input will allow us to make well informed business decisions, saving us (at least) thousands of dollars and greatly increasing the likelihood of success in the international market.” – Heidi Wood, corporate secretary, CHUTES International

Commerce-driven programs support Southern Maryland's defense contractors

Assistance with expansion into global markets; help with cybersecurity compliance certification

Two years after the Maryland Defense Diversification Assistance Program (MDDA) launched, the Maryland Commerce Office of Military and Federal Affairs reviewed the success of the pilot program, concluding in FY 2020. Funded by a \$1.76 million Industry Resilience grant from the DoD's Office of Economic Adjustment (OEA), MDDA has generated an \$82 million return on the DoD's investment. The Defense Cybersecurity Assistance Program (DCAP), created to provide cybersecurity compliance support, is funded by the OEA and reports a \$1,000 return on investment on every dollar, as a result of client-reported economic impact.

Two Southern Maryland companies know the value of these programs.

CTSi

MDDA and ExporTech™ helped Lexington Park-based CTSi grow its global sales by developing an export plan, accelerating learning about export compliance, and upgrading its web presence. In the next two years, CTSi expects to increase sales by at least 50 percent, which will lead to roughly 50 new jobs, and revenue is poised to continue its upward trajectory into the future.

“The ExporTech program has been invaluable to CTSi in helping grow our export side of the business by providing tactical tools to help ensure we comply with regulations and helping us develop a strategic plan to actively grow our international footprint. And, the plan is working.” – Tom Sanders, owner and CEO, CTSi

Sierra Management & Technologies

California, Maryland-based Sierra Management & Technologies, overwhelmed by the Defense Federal Acquisition Regulation Supplement compliance process, reached out to DCAP for support to meet the contract compliance requirement for Cybersecurity Maturity Model Certification (CMCC). It worked with DCAP service provider eTrepid to perform the cybersecurity gap analysis and mitigation, and reached the CMCC deadline.

St. Mary’s County Airport Innovation District one year later

Master plan complete, construction underway to meet demand

International attention adds to the growing interest in the Innovation District. Last year, the president of Panama visited to meet with local companies AIRtec and Smartronix to inspect new aerial surveillance equipment that could strengthen Panamanian security capabilities. On-site business technology incubator TechPort also received international interest from the French and Italian embassies, hosting French electronics startup Greenware and Italian space technology company Argotec.

The University System of Maryland began construction on an \$86 million, 84,000-square-foot academic and research facility for the University System of Maryland at Southern Maryland (USMSM). The new building is planned to open in the fall of 2020 and adds 16 classrooms and additional research facilities to the campus. USMSM represents nine colleges and universities, and offers programs in education, management, engineering and applied sciences.



The AIRtec team provides a high mean experience level across all critical aviation areas, including flight operations, safety, maintenance, training, equipment integration and sensor operation.

Eastern Shore



Aphena Pharma Solutions approves \$7 million for expansion in Easton.

See full story page 4.

Wicomico County to build UAS flight facility at Salisbury Regional Airport

Sentinel Robotic Solutions enters five-year agreement to operate at the project site

Maryland approved funding to support Wicomico County as it begins construction on an 8,000-square-foot Unmanned Aircraft System (UAS) flight facility. Located at the Salisbury Regional Airport, the UAS facility will include a hangar and office space, which will provide design, testing, and consulting for commercial and military applications. Once construction is completed the facility is expected to employ 25 high-tech workers and create an additional 29 indirect jobs in the region.

“Our airport is already a huge economic engine, and our new drone operations center will add to that impact and further diversify business in Wicomico. We appreciate Maryland’s partnership and commitment to our effort in growing our airport and economy.” – the late

Bob Culver, Wicomico county executive

To assist with project costs, the Maryland Department of Commerce approved a \$100,000 grant through Advantage Maryland, formerly the Maryland Economic Development Assistance Authority and Fund.

Maryland Commerce supports Eastern Shore high-speed internet expansion

Delmarva high-speed internet provider receives \$4.2 million from Federal Communications Commission

Bloosurf, an Eastern Shore high-speed wireless network provider, is expanding its service throughout the region. To assist, the state has provided a loan guarantee through the Maryland Small Business Development Financing Authority. The guarantee will support a line of credit provided by the Eastern Shore’s 1880 Bank under Bloosurf’s agreement with the FCC.

Bloosurf was also awarded more than \$4.2 million by the FCC to expand high-speed internet throughout Caroline, Dorchester, Somerset, Wicomico, and Worcester counties. With this funding, Bloosurf will add six locations, serving hundreds of residents, businesses, and schools throughout the Eastern Shore.

Founded in 2009, Bloosurf is headquartered in Salisbury and serves Maryland’s lower Eastern Shore, as well as select counties in Delaware and Virginia. According to the company, the FCC financing – which is spread out over 10 years – is the “single largest federal investment for last-mile service” in the history of Maryland’s Eastern Shore. Funding will be used for infrastructure, testing and delivering service to communities throughout the region.

Mid-Shore partners with Tri-County Councils and Lower Shore

Tri-County Councils work to ensure rural areas have a voice

Tri-County Councils act as regional planning and development agencies. In rural areas with small populations, elected bodies of individual jurisdictions can have difficulty being heard above the statewide heavy influence of more metropolitan populated areas. The Tri-County Councils were formed by the Maryland General Assembly to address this need. They are a joint coalition of three counties composed of elected officials and other key representatives of the included communities, and are funded in part through the Maryland Department of Commerce. The councils can advocate on behalf of a region’s economic and planning needs, and offer a stronger voice for rural populations.

The Tri-County Councils are also the connection to providing Economic Development Agency (EDA) funding within the more disadvantaged communities of the state. Projects assisted by EDA funds include funding for the Maryland Broadband Cooperative, the Eastern Shore Regional GIS Cooperative, the Eastern Shore Innovation Center, and the Chesapeake Culinary Center.





International Investment and Trade

Maryland Delegations attend worldwide events and conferences

Medical Japan 2019, Tokyo

Maryland is the first U.S. state to attend Tokyo's medical show; 23,000 attendees

Maryland Commerce led a delegation of seven Maryland companies to Medical Japan, an international medical device and elderly care expo in Tokyo. The Commerce Office of International Investment and Trade hosted a booth to demonstrate company products and services at the show to promote the state's biohealth and medical assets and assist the delegation with expanding into the global marketplace. Companies also received formal research and matchmaking assistance through Maryland's global office in Japan, as well as the help of on-site interpreters at the expo.

“The ExportMD grant from the Maryland Department of Commerce has been integral to our decision to travel to Japan, and we believe that this grant will play a significant role in helping to expand our global footprint.” – Sathya

Elumalai, Aidar Health founder and CEO

The seven Maryland companies attending:

- **Aidar Health**, the Pikesville company behind the handheld device MouthLab, which captures patients' vital signs in under 30 seconds
- **Integrated Pharma Services**, an award-winning contract research organization in Frederick
- **Man & Machine**, a global leader in waterproof and washable computer accessories located in Landover
- **MileMarker**, a Baltimore mobile app developed by Johns Hopkins University that works as a training and evaluation tool for medical residents
- **Otomagnetics**, a University of Maryland, College Park, spinout that is developing a noninvasive, magnetic injection delivery system in Bethesda
- **Renalert**, a Baltimore startup that has developed a system to detect early-declines in kidney function to prevent acute kidney injury
- **Surgisense**, a Bethesda-based company specializing in smart-sensing devices that image tissue oxygen levels with broad medical applications



MEDICA 2019, Dusseldorf, Germany

Medical forum attracts more than 5,100 exhibitors and 120,000 attendees from across the globe

Maryland Commerce led a delegation of 11 Maryland companies to MEDICA 2019, the world's largest medical trade show, held every year in Dusseldorf, Germany. This is the 10th year that Maryland – through Commerce's Office of International Investment and Trade – has participated in the global trade show as part of a continuing strategy to boost trade and promote the state to overseas businesses.

Maryland hosted a 775-square-foot booth to demonstrate company products and services at the show, which attracts more than 120,000 attendees from around the world.

Maryland companies traveling to MEDICA last year were: BDRA Consulting (Damascus); BioAssay Works (Ijamsville); BioElectronics Corp. (Frederick); IOB Medical (Gaithersburg); Konsyl Pharmaceuticals (Easton); MEDI+SIGN (Smithsburg); Neuroparticle Corp. (North Bethesda); PediaMetrix (Rockville); PerSon Clinic (Rockville); Sonavi Labs (Baltimore); and Tetracore (Rockville).

Expodefensa 2019, Bogota, Colombia

Colombian trade show attracts 251 exhibitors from 26 countries and 13,000 attendees

Maryland Commerce led a delegation of nine Maryland companies to Expodefensa 2019, an international exhibition for security and defense in Latin America. This is the first year that Maryland – through Commerce's Office

of International Investment and Trade – has participated in the Bogota trade show. Several of the companies attending Expodefensa were awarded ExportMD grants from Maryland Commerce, including Sea-Fire Marine, which attended the international trade show for the first time.

Maryland's booth at the show promoted the state's innovative technology and defense assets, and Commerce business staff assisted the delegation with expanding into the global marketplace. Companies also received matchmaking assistance through Maryland's global office in Bogota, as well as the help of on-site interpreters at the trade show.

Maryland companies that attended:

- **CP Cases**, a Bishopville designer and manufacturer of high-performance protective cases
- **ITnova Consulting**, a Glen Burnie-based business specializing in IT solutions and services
- **Manufacturing Engineering Systems (MES, Inc.)**, an award-winning Rockville firm that provides IT, education, simulation, and training solutions
- **Maven Engineering**, a Rockville supplier of complex machine parts to the defense and railroad industries
- **Planar Monolithics Industries**, a Frederick company that provides its microwave and monolithic circuits to space and military industries
- **Rekor Systems**, a vehicle recognition software provider based in Columbia
- **Sea-Fire Marine**, a Baltimore company and world leader in marine fire suppression technology
- **Securityhunter**, an electronic and information security solutions supplier in Windsor Mill
- **WGS Systems**, an award-winning small business in Frederick that provides innovative systems to military and intelligence organizations

Lt. Gov. Boyd Rutherford leads 2020 trade mission to Israel

Cybertech Conference is Israel's premier event for Israeli and international cybersecurity companies

Maryland Lt. Gov. Boyd Rutherford led a trade mission to Israel arranged by the Maryland/Israel Development Center in coordination with the Maryland Commerce Office of International Investment and Trade. He spoke at the Cybertech Conference, with over 18,000 attendees.

In addition to speaking at Cybertech, Rutherford met with Israeli companies that have offices and employees in Maryland such as RADA Electronic Industries in Germantown and Sinai Hospital's Israeli operations center. Delegation members Matthew Pugh of Pugh & Tiller PR, Bruce Spector from Baltimore Cyber Range, and Jay Steinmetz from Barcoding Inc. conducted their business meetings with Israeli companies to pursue new business opportunities, while Dr. David Wilson, president of Morgan State University, and Philip Rous from UMBC met with Israeli academic institutions to discuss research collaboration and student and faculty exchanges.

State Leads Delegation to Arab Health 2020

Sonavi Labs picks up top award

Arab Health 2020, Dubai, UAE

11 local companies exhibited at the trade show featuring 4,250 exhibitors



Maryland Commerce led a delegation with Lt. Gov. Boyd K. Rutherford and numerous Maryland companies to Arab Health 2020, one of the world's largest health care exhibitions. Held in Dubai, this was the seventh year Maryland Commerce has exhibited at the trade show, promoting the state's health care assets as well as small and mid-size companies to a global audience. The Maryland booth provided exhibiting companies with display space and meeting areas as well as matchmaking assistance through Maryland's global office in the United Arab Emirates (UAE). Last year, the conference attracted more than 55,000 attendees and representation from nearly 160 countries.

The 11 Maryland companies that traveled to Arab Health were: emocha Health (Baltimore); Get Real Health (Rockville); GraceMed Solutions (Beltsville); Health Solutions Research (HSR) (Rockville); Integrated Pharma Services (Frederick); LKC Technologies Inc. (Gaithersburg); Pevco Systems International Inc. (Middle River); Pindox Pharma Inc. (Gaithersburg); Shreis Scalene Sciences USA (Gaithersburg); Sonavi Labs, Inc. (Baltimore); and 20/20 GeneSystems, Inc. (Rockville).

Maryland health IT company Sonavi Labs wins pitch contest at Arab Health 2020

Contest received 7,000 applications from around the world.
Sonavi Labs was one of 32 global startup companies to compete.

Sonavi Labs, a medical device and software company, won the annual Innov8 Talks pitch competition at the 2020 Arab Health conference in Dubai. The company presented its debut device – **Feelix, a digital stethoscope** platform including respiratory diagnostic devices and supportive software – during the four-day competition, and ultimately took home the grand prize in the final round. The Baltimore City business, which traveled as part of the Maryland delegation, will receive a free booth at next year's conference.

The Feelix platform features outside noise cancellation, which provides advanced sound quality for patients' body sounds, and can analyze conditions as a physician would. The company believes a device that can instantly detect abnormalities can benefit countless individuals, including those with pneumonia, tuberculosis, COPD, and asthma.



Maryland Commerce awarded federal grant to support international efforts and export program

\$550,000 STEP grant from federal SBA awarded to Maryland Department of Commerce

The State Trade Expansion Program (STEP) grant will be used to support Maryland Commerce's international efforts, including attending overseas trade shows in targeted industry sectors and helping to fund the state's ExportMD program. ExportMD provides matching grants of up to \$5,000 to help Maryland companies market their goods and services to global customers. Maryland is one of the 10 largest recipients in this year's round of STEP grants — a total of \$18 million being awarded to 41 states and territories.

This is the seventh time that Maryland has received STEP funding through the SBA program. The department was

also awarded a \$550,000 grant in 2018 to support the ExportMD program and other initiatives. With the previous funding, the ExportMD program assisted more than 70 small businesses in the state, leveraging nearly \$48 million in new export sales. During FY 2020, 63 Maryland companies were awarded ExportMD grants.

“The ExportMD program has had a tremendous impact on our ability to connect with international stadiums. While we have been exporting products for many years, the opportunity to meet in-person with prospects provides us with a tremendous competitive advantage.” — Nicole Andrews, managing director of global sales, Matrax Inc.

International teamwork around the globe

July 2019

Maryland renews sister state partnership with Kanagawa Prefecture, Japan

Maryland's relationship with Kanagawa “is one of Maryland's oldest, most important sister state relationships in the world.” Gov. Hogan

The renewal of the Memorandum of Understanding (MOU) between Maryland and Kanagawa Prefecture highlights the regions' shared commitment to advancing healthcare and the life sciences as well as the potential for health-related collaboration in other industry sectors including cybersecurity and robotics.

The Maryland-Kanagawa sister state partnership was established in 1981. Throughout the decades, bilateral projects have ranged from lacrosse exchanges to arts and culture programming, women's issues, a clean energy research mission, and student visits.

The two regions first signed an MOU to collaborate on biotech and the life sciences in 2014. The renewal updates and expands that agreement and includes a specific focus on connecting Maryland's biohealth industry with Kanagawa's Healthcare New Frontier policy program, which is working to address the challenges faced by a rapidly aging population. The MOU will remain in effect for five years.

August 2019

Maryland enacts cooperative partnership with Estonia

MOU builds on 2017 trade mission by Lt. Gov. Rutherford

Gov. Larry Hogan and Estonia Ambassador Jonatan Vseiovi joined together to sign a Memorandum of Understanding (MOU) between the two governments. The agreement — which was enacted for five years — strengthens Maryland and Estonia's partnership to collaborate in economic development, tourism, education, and the arts.

The MOU follows a 2017 trade mission to Estonia led by Lt. Gov. Boyd Rutherford, which focused on cybersecurity efforts and drug abuse prevention. Maryland and Harju County, Estonia, previously had a sister state relationship that ended after a restructuring of the Estonian municipal governments; the newly signed MOU renewed this partnership as well. In addition to the sister state relationship, Maryland's sister city relationships with Estonia include Annapolis and Tallinn, Westminster and Paide, and Salisbury and Tartu.

September 2019

Maryland signs Memorandum of Understanding with South Australia to foster economic and security ties

Three-year agreement will support investment and trade activities, particularly in cybersecurity and satellite technologies

As a portion of Gov. Hogan's infrastructure and economic development mission to Australia, the governor and South Australian Premier Steven Marshall signed an MOU to strengthen the relationship between their two states and foster strong economic and security ties.

The signing followed a speech by Gov. Hogan at the 2019 Defence Industry Cyber Security Summit, a major cybersecurity conference, where he talked about Maryland's standing as the "Cyber Capital of America" and provided a briefing on business opportunities in Maryland. Maryland-based Tenable, a cybersecurity company serving 27,000 organizations around the globe, represented Maryland at the briefing and spoke about the benefits of being a Maryland-based company.

Gov. Hogan concluded his infrastructure and economic development mission to Australia when he joined Victoria Premier Daniel Andrews to sign an MOU to strengthen economic ties between the states, particularly in the life sciences industry. Under the MOU, Maryland and Victoria will support businesses and research organizations in each respective state and help them connect with potential partners for joint life sciences projects. The two states will also host seminars and encourage collaboration when companies from both states attend industry trade shows.

Maryland-based Matrax forms partnership with Australian stadiums

Partnership was facilitated in part by the state's ExportMD grant program, administered by Maryland Commerce

During his infrastructure and commerce mission to Australia, Gov. Hogan met with leadership from venues in New South Wales to highlight a new agreement between two Australian venues and Maryland outdoor flooring manufacturer Matrax.

ANZ Stadium, which hosted a portion of the 2000 Sydney Summer Olympics, and Bankwest Stadium have partnered with Matrax to use its 4x4 panel flooring during entertainment events. The venues — which host various sporting events including rugby championships and football games — chose Matrax's lightweight stadium flooring to protect their playing fields during large concerts by Metallica, Queen, and Elton John. Together, the stadiums can accommodate more than 110,000 attendees.

October 2019

Maryland and West Holland renew three-year partnership

Cybersecurity, soft landing program are highlights of collaboration

Maryland Commerce and InnovationQuarter, the regional economic development agency for West Holland, officially renewed their Memorandum of Understanding (MOU) to

promote general cooperation and coordination between the entities over the next three years. The renewal will help strengthen Maryland and West Holland's relationship as they continue to foster economic development and investment in the two regions, especially as it relates to cybersecurity.

The MOU encourages the hosting of delegations in both Maryland and West Holland, promoting the regions' exchange programs, collaborating on webinars for cybersecurity companies interested in expanding their global outreach, and potential opportunities for matchmaking and networking at trade shows around the world.

In 2016, the state signed a three-year agreement with InnovationQuarter, which established a soft-landing program for Dutch companies looking to explore the Maryland market and vice versa. The program, which was the first of its kind in Maryland — and is still ongoing — provides incubation and mentorship services for participating companies. The following year, Maryland Commerce welcomed five Netherlands cyber companies to the bwtech@UMBC Research and Technology Park for their month-long stay as they explored the U.S. as a permanent location. Additionally that year, four Maryland cyber firms traveled overseas to facilitate their entry into the European market as part of the bilateral exchange program.

Maryland Commerce and Labor sign MOU with Northern Ireland

MOU follows earlier visits from Northern Ireland delegation, focus is on cybersecurity industry

Maryland Departments of Commerce and Labor recently joined with Northern Ireland's Department for the Economy in signing a Memorandum of Understanding (MOU) to foster greater economic collaboration between Maryland and Northern Ireland.

The MOU focuses on mutual growth in the cybersecurity industry, boosting exports, and creating new opportunities for trade and investment. As part of the agreement, an exchange program is being developed by which Maryland cyber companies will visit Northern Ireland to explore the European market for possible expansion, and Northern Ireland cyber companies will visit Maryland for similar purposes. Maryland will also exchange ideas with Northern Ireland on growing its cyber workforce through apprenticeship programs. The MOU will last three years and can be renewed.

Marketing and Communications

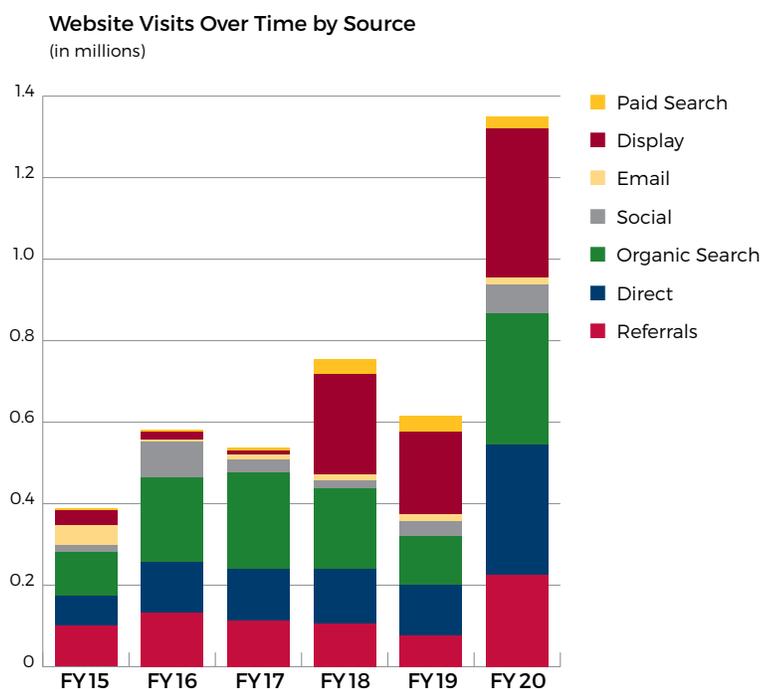
Advertising – Open for Business

The Maryland Marketing Partnership, along with the Commerce Marketing Team, oversees the Open for Business advertising campaign. In FY 2020, the media plan included a mix of digital, print, and outdoor placements targeted to high tech business decision-makers in key metro areas across the U.S. Digital advertisements were targeted to appear in key U.S. metro areas where concentrations of high tech businesses are located. Key national print publications such as The Wall Street Journal, Site Selection, Area Development, Wired, Fast Company, and Inc. magazines also included Maryland advertising. On March 13, when the governor announced the executive order to stay at home, digital placements were paused. Digital ad placements resumed on April 30; print placements continued throughout the spring. Promotional efforts were redirected to in-state businesses and helping them identify available resources, particularly grants and loans.

Marketing Metrics:

- Advertising impressions: **140 million**
- Website visitors: **1,352,400***
- Value of creative projects on the open market: **\$373,550**
- Dollars leveraged for every dollar spent: **\$0.57**
- Number of external events: **36**
- Total audience reach at shows: **385,762**
- Earned media value: **\$1.2 million**
- Number of email subscribers: **35,424**
- Open rate of the Business Pulse newsletter: **16%**
- Social networking audience size: **45,502**
 - Facebook - **11,486**
 - LinkedIn - **7,697**
 - Twitter - **26,319**

* Number of website visitors – 1,352,400 – much higher than usual due to the influx in COVID/Back to Business content and attention.



Maryland Marketing Partnership Board

Julian Boykin, President of A.C.E., LLC

Karen Cherry, Vice President, Office Leasing, The Howard Hughes Corporation

Henry Fawell, Founder and President, Campfire Communications

Justin Meighan, Assistant Regional Manager, LiUNA! Mid-Atlantic Region

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Senator Cheryl Kagan (District 17; appointed by Senate President)

Delegate Kris Valderrama (District 26; appointed by House Speaker)

Tom Riford, Executive Director, Maryland Marketing Partnership

Assistant Secretary, Maryland Department of Commerce: Division of Tourism, Film and the Arts, Division of Marketing and Communications

Maryland Marketing Partnership

The Maryland Marketing Partnership is led by a governor-appointed board of business executives. The board works in partnership with the Commerce marketing team to oversee the Open for Business campaign. The partnership is also made up of 37 Maryland Business Champions that invest in the partnership and share their resources. In FY 2020 the partnership committed \$557,000 to help promote Maryland's business advantages and attract new businesses and workers to the state.

Maryland Business Champions



An Exelon Company

Headquartered in Baltimore, BGE is Maryland's largest natural gas and electric utility, delivering power to more than 1.25 million electric customers and more than 650,000 natural gas customers in central Maryland. BGE is a subsidiary of Exelon Corp. (NYSE: EXC), the nation's leading competitive energy supplier.



WHITING-TURNER

Since 1909, Whiting-Turner has earned the respect and appreciation of its clients and trade partners for delivering construction services with precision, technological and procedural innovation, integrity, and excellence. A commitment to the advancement of historically underutilized business is routinely evident. In Maryland and nationwide, the company embraces its role as an economic engine to create lasting opportunities for local citizens, and to sustain healthier, safer, and more vibrant communities. Local projects include the Ronald McDonald House of Baltimore, MGM National Harbor, and the Bunting Center's newly constructed 17th floor patient unit at Mercy Medical Center.



St. John Properties, founded in 1971 in Baltimore, has developed and owns more than 20 million square feet of office, flex/R&D, retail, and warehouse space in Maryland, Virginia, Colorado, Louisiana, Nevada,

Pennsylvania, Utah, and Wisconsin. The company was named 2018 National Developer of the Year by commercial real estate development association NAIOP. St. John Properties leads the industry in green building practices with 70 LEED-certified buildings and 29 more under development.



Howard Hughes Corp. owns, manages, and develops commercial, residential, and mixed-use real estate. The company comprises master-planned communities, operating properties, development opportunities, and other unique assets spanning 14 states from New York to Hawaii.



Tradepoint Atlantic, a 3,300-acre multimodal global logistics and industrial center in Baltimore, offers a gateway to markets around the United States and the world, featuring an unmatched combination of access to deep-water berths, rail, and highways. One of the largest, most strategically significant intermodal global logistics hubs in the country, Tradepoint Atlantic is projected to generate 11,000 permanent jobs with a \$2.9 billion annual economic impact. From here, world-class companies unleash their potential, jobs are created, communities prosper, and the industry is set in motion.



As one of the largest privately owned real estate development companies in the region, Peterson Cos. consistently delivers some of the area's most exciting mixed-use retail, residential and commercial destinations. Over the past 53 years, Peterson has created such exceptional landmarks as National Harbor, Downtown Silver Spring, and Rio. With a proven ability to move quickly on opportunities to reshape and enhance local communities, the company creates vibrant residential and business districts that benefit all who live and work in our region.



The Maryland Economic Development Corp. (MEDCO) was created by the state of Maryland's General Assembly to assist with statewide economic development activities by owning, developing, and financing real and personal property projects. MEDCO works to increase business activity, advance economic development, encourage charitable and cultural activities, enhance workforce development, and promote Maryland's economic viability



Thoughtful Investing. Brown Advisory is an independent investment management firm committed to delivering a combination of first-class performance, strategic advice, and the highest level of client service with offices in Austin, Baltimore, Boston, the Carolinas, Delaware, London, New York, Singapore, Virginia, and Washington, D.C. The firm's institutional and private clients are based in all 50 states and more than 39 countries and territories and are served by over 650 colleagues worldwide, all of whom are equity owners of the firm.



Headquartered in Baltimore, Howard Bank operates a general commercial banking business with approximately \$2.5 billion consolidated assets through its 15 branches located throughout the Greater Baltimore metropolitan area.



M&T Bank Corp. is a bank holding company that operates 800 branches and 1,600 ATMs in eight states, D.C., and Canada. M&T Bank provides products and services related to commercial banking, retail banking, business, and professional banking, investment banking, and mortgage banking to support its customers and the communities in which it does business.



Merritt Cos. is a family of businesses that includes Merritt Properties, Merritt Clubs, and Merritt Construction Services — three distinct organizations that share a single vision of building lifelong relationships. With that in mind, each Merritt business has been driven to go beyond what our industries demand to create and maintain

environments where individuals and companies can flourish. Established in 1967, Merritt Cos. has grown to more than 1,000 employees serving more than 37,000 customers.



Based on Maryland's Eastern Shore, Perdue Farms has been a family-owned company for four generations. Today, the company creates products for consumers, and retail and foodservice customers around the globe. Perdue Farms is the parent company of Perdue Foods and Perdue AgriBusiness. Perdue Foods is a major chicken, turkey, and pork processing company in the United States, while Perdue AgriBusiness ranks among the top United States grain companies. The PERDUE® brand is the number-one brand of fresh chicken in the U.S., and the leader in organic chicken.



T. Rowe Price is a global investment management firm that offers mutual funds, advisory services, account management, and retirement plans and services for individuals, institutions, and financial intermediaries. The firm had \$1.21 trillion in assets under management at the end of 2019 and employed more than 7,000 associates around the world, with over 5,000 based in Baltimore. It has 16 international offices and serves clients in 47 countries. The firm has called Baltimore its hometown since it was founded in 1937.



The University System of Maryland (USM) is the state's public higher education system. Led by the Board of Regents and the Chancellor, USM is made up of 12 institutions and three regional higher education centers. USM works to provide affordable access to high-quality educational opportunities, performs groundbreaking research, promotes economic growth and workforce development, and supports a culture of innovation and community service to improve the quality of life in Maryland.



The University of Maryland Medical System is a university-based regional health care system. As one of the largest private employers in the state, the health system's 28,000 employees and 4,000 affiliated physicians provide primary and specialty care.



Located in the heart of Baltimore, Ellin & Tucker has been serving Greater Baltimore's prominent privately held businesses, high-net-worth individuals, and nonprofits for more than 70 years. The accounting firm provides tax and auditing expertise, a team of forensic accountants, and valuation advice.

Morgan Stanley Morgan Stanley is a leading global financial services firm providing investment banking, securities, wealth management, and investment management services. The firm operates 13 retail offices in Maryland as well as a Global In-House Center in Baltimore, which opened in 2003. Morgan Stanley continues to build a highly skilled workforce in the city, supporting several divisions including Operations, Finance, Legal & Compliance, Cyber, Risk Management, Technology, and Wealth Management.

 **PROPERTIES DEVELOPMENT CORP.** Harbor East Management Group, a wholly owned subsidiary of H&S Properties Development Corp., is a leading real estate development and management company based in Baltimore, and the visionary developers behind Harbor East, one of the Mid-Atlantic's most exciting mixed-use developments. Spanning 5.5 million square feet of commercial retail, office, hotel, and residential space along Baltimore's Inner Harbor, Harbor East is home to the Four Seasons Hotel Baltimore and the new Liberty Harbor East building. Harbor East catalyzes downtown investment, spurring residential urbanization, and creating a blueprint for future real estate projects.

 **H&S BAKERY** Baltimore-based and fourth-generation family-owned since its inception in 1943, the H&S Family of Bakeries, including its affiliates Northeast Foods, Schmidt Baking Co., and Ottenberg's Bakery, is the largest privately owned and operated bakery in the country. With operations in seven states, distribution across two-thirds of the country, and an employee roster of close to 2,000, the H&S Family of Bakeries continues to be an inspirational leader, reshaping the baking industry through vision, innovation, and its commitment to exceptional quality and customer service.

 **KELLY** Kelly & Associates Insurance Group and Kelly Payroll deliver insurance, benefits, and payroll solutions to employers of every size. As a trusted partner, Kelly helps clients save time, control cost, and maximize the value of their people's investment through efficient processes and effective tools.

DONOHUE Established in 1884, Donohoe has a long history of serving the region with an array of real estate services. The company, which announced in 2016 it was moving its headquarters from Washington to Maryland, offers services in construction, real estate, hotel management, development, and facilities management.

 **BOZZUTO** The Bozzuto Group is an experience-focused real estate company with expertise in homebuilding, multifamily development, construction, and management. Since its founding in 1988, Bozzuto has developed, acquired, and built more than 50,000 homes and apartments, and currently manages 78,000 apartments and 2.5 million square feet of retail space along the East Coast.

 **CLARK CONSTRUCTION** Headquartered in Maryland and American-owned and -operated since 1906, Clark Construction Group is one of the nation's most experienced and respected providers of construction services. Consistently ranked by leading industry organizations as one of the country's largest general building and civil construction companies, Clark's resume includes iconic projects such as the National Museum of African American History and Culture, Orioles Park at Camden Yards, and Johns Hopkins Hospital's Sheikh Zayed Tower and Charlotte R. Bloomberg Children's Center.

 **KAISER PERMANENTE** Kaiser Permanente is one of the nation's largest not-for-profit health plans. The company comprises Kaiser Foundation Hospitals and its subsidiaries, Kaiser Foundation Health Plan and the Permanente Medical Groups. The company has a large footprint in the Mid-Atlantic region, with over 770,000 health plan memberships.

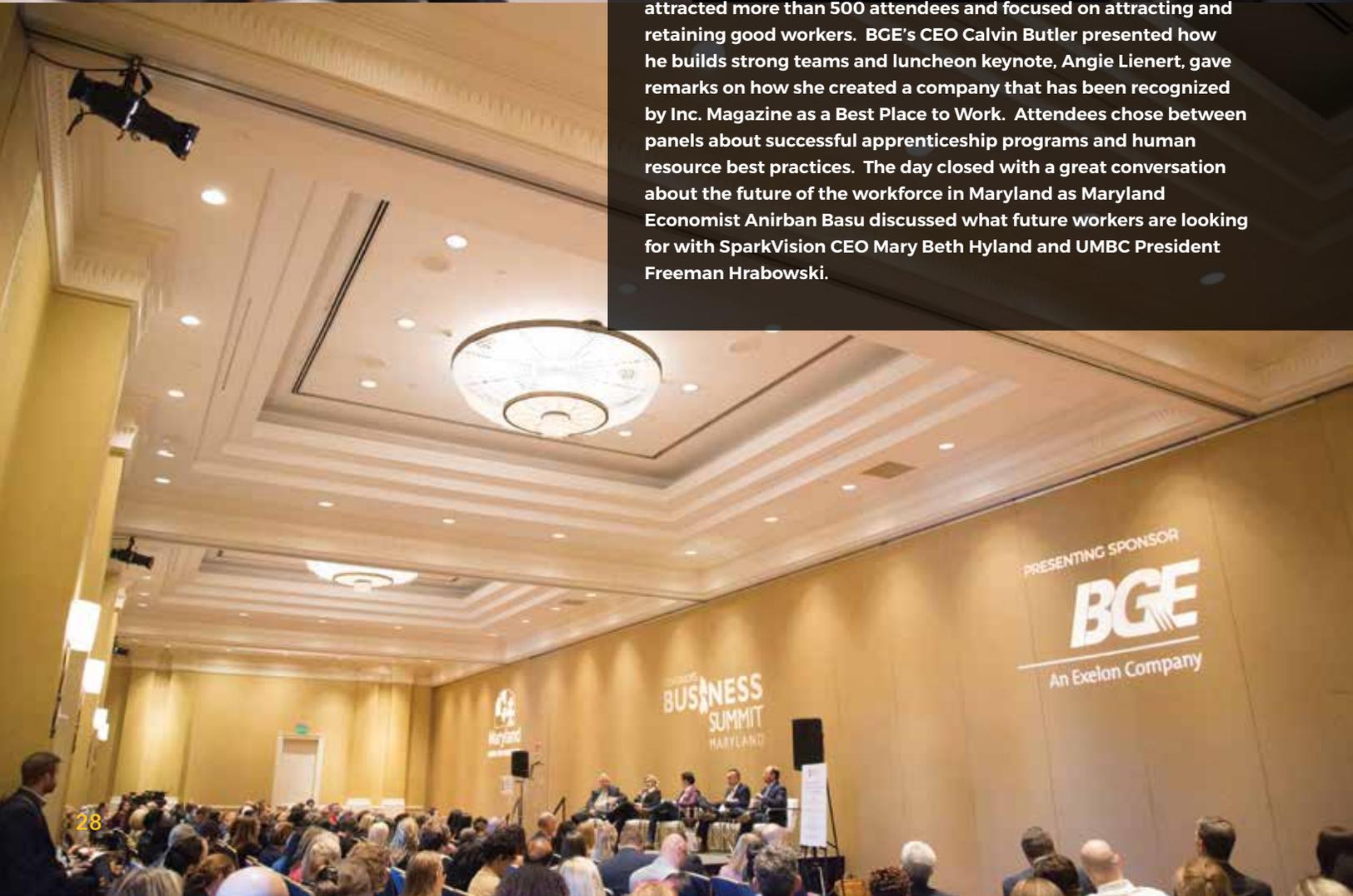
 **CISCO** Cisco is the worldwide leader in IT, networking, and cybersecurity solutions. Cisco inspires new possibilities by reimagining applications, securing data, transforming infrastructure, and empowering teams for a global and inclusive future.

 **ROYAL FARMS** Royal Farms strives to be the "Quick & Friendly" restaurant of choice by offering the Mid-Atlantic region quality, freshly prepared foods, convenience products, and value-priced-fuel. The Baltimore-based brand proudly serves World-Famous Royal Farms Chicken, which Food & Wine magazine deemed a "best fast-food fried chicken."

 **MILES & STOCKBRIDGE** Miles & Stockbridge is a leading law firm, with offices throughout the Mid-Atlantic region. The firm's lawyers help global, national, local, and emerging business clients preserve and create value by helping them solve their most challenging problems.



The Governor's Business Summit, overseen by the MMP, was held at the Baltimore Waterfront Marriott in September 2019. The event attracted more than 500 attendees and focused on attracting and retaining good workers. BGE's CEO Calvin Butler presented how he builds strong teams and luncheon keynote, Angie Lienert, gave remarks on how she created a company that has been recognized by Inc. Magazine as a Best Place to Work. Attendees chose between panels about successful apprenticeship programs and human resource best practices. The day closed with a great conversation about the future of the workforce in Maryland as Maryland Economist Anirban Basu discussed what future workers are looking for with SparkVision CEO Mary Beth Hyland and UMBC President Freeman Hrabowski.



Tourism

and Film



“Open for It”

The Maryland Office of Tourism continued its use of the successful “Maryland: Open for It” ad campaign. Television spots featuring the state’s water-based and culinary experiences ran in target markets including the New York metro area, Philadelphia, Harrisburg, Pittsburgh, Cleveland, Washington, D.C., and Baltimore. Consumer research conducted post-campaign showed that a statistically significant 17 percent of respondents recalled seeing the ads, and overall the campaign delivered a \$31-to-\$1 return on investment. Print advertising in national and regional magazines, as well as companion radio, digital and social media campaigns, continued to be part of the media mix.

In early 2020, it was announced that the “Open for It” campaign had been recognized with a Gold ADDY award, presented by The American Advertising Federation of Baltimore. The awards are given for excellence in advertising, design, and promotion. The category — Consumer Integrated Campaign — recognizes a regional/national advertising campaign using more than one medium that appears in multiple markets. “Open for It” was recognized for its TV broadcast spots, print and digital ads, affiliated website landing pages, and print collateral elements.

On Film

In FY 2020, production began on the Showtime series “The President is Missing.” The series is based on the best-selling book of the same name by Bill Clinton and James Patterson and stars Golden Globe nominee David Oyelowo. Production was put on hiatus after the first week of filming due to the COVID-19 pandemic. Four productions from local filmmakers, “Hope’s Legacy,” “A Comedy of Horrors,” and “Strawberry Mansion,” utilized the Maryland Small Film Tax Credit Program. The projected economic impact of these productions is around \$1.4 million.

Two additional productions, “Local Hero” and “Engineering For US All,” applied for Maryland Small Film tax credits. Since the inception of the Film Production Activity Tax Credit in 2011, the 13 high-impact productions utilizing the program have resulted in an economic impact for Maryland in excess of \$890 million. These productions directly hired an average of 1,308 Maryland residents per production, and directly purchased or rented goods or services from 1,360 Maryland businesses per production.

Digital Advertising

For the second year, the Maryland Office of Tourism produced “Home for the Holidays,” a seven-week digital marketing campaign encouraging visitors coming to Maryland for the holiday season to stay in a hotel rather than on the family couch or crowding into a childhood bedroom. The Tourism Office partnered with the hotel community to develop holiday overnight packages, which were listed on the VisitMaryland.org website and promoted through a quirky, fun, creative digital campaign. Hotel room bookings were tracked through Adara and TripAdvisor. Combined, for a total expenditure of \$29,000, nearly 10,000 room nights were booked, for total attributable revenue of \$1,186,661.

Also, the third annual “Summer of Music” promotion ran from May through September 2019. A varied collection of multi-day music concerts and festivals around the state designed to encourage overnight stays, the “Summer of Music” was marketed through a dedicated digital campaign as well.

Public Relations Outreach

The Maryland Commerce Office of Tourism Development (OTD) and Focus Features co-hosted a group media visit to promote the film “Harriet,” along with several sites along the Harriet Tubman Underground Railroad Scenic Byway. In FY 2020, OTD’s Capitol Region USA efforts

welcomed several individual media fans, along with a couple of group familiarization tours (FAMs). The UK group media FAM in October 2019 had a theme “Small Towns & Unique Neighborhoods,” which highlighted Annapolis, Havre de Grace, and Chesapeake City. In November 2019, the Germany group media FAM highlighted Baltimore and Annapolis, which focused on 2020 as the Year of the Woman. Throughout FY 2020, there were several individual media visits from Germany and the UK that focused on Maryland’s beauty, history, cuisine, and more.

Major media stories garnered by the office included a feature story on “CBS Sunday Morning,” “Harriet Tubman’s Road to Freedom,” as well as articles in Forbes, AAA World, and other national media outlets. Fiscal year dollar equivalencies in earned media totaled more than \$12 million.

National Folk Festival

Salisbury welcomed the nation as the host city for the National Folk Festival, the second year of a three-year run in the Lower Eastern Shore town. The festival brought more than 350 artists to Maryland, including musicians, dancers, and craftspeople. The event took over the downtown area for three days with seven stages, a festival marketplace, food vendors, and interactive booths. The festival attracted nearly 150,000 attendees, with an economic impact of more than \$46 million in visitor spending, and was a key part of OTD’s second annual Summer of Music series.

Maryland State Arts Council

Working Together – adopting a collaborative model to support statewide arts activities

In 2020, MSAC, the Maryland State Department of Education’s Fine Arts Office, Arts Education in Maryland Schools Alliance, and Maryland Citizens for the Arts formalized their role as planning collaborators to support all statewide arts activities. This model, unique in the nation, allows a seamless approach to the dissemination of information, cohesive professional learning opportunities, and a strategic investment in the social transformation provided by Maryland’s creative sector through a joint commitment to equity and justice.

MSAC Professional Development – expanding learning opportunities

MSAC offered over 50 free professional development opportunities for arts organizations and programs as well as independent artists in FY 2020. These community-building and learning opportunities included creative conversation forums, discipline-specific listening sessions, technical assistance for applying for MSAC grants, and in-person and virtual training opportunities on

financial analysis, digital programming, and staff and board development. Also, a new grant piloted in early 2020, the Professional Development Opportunity Grant, provides funding for applicant-selected opportunities for professional growth.

Virtual learning

MSAC’s 2020 Webinar Series connected with over 600 attendees across nine webinars. Topics for this series were developed from constituent requests and included Grant Writing 101, Equitable and Accessible Re-Granting for County Arts Agencies, low-cost marketing, grant platform tutorials, and informational sessions on folklife and public art opportunities.

2020 Maryland Arts Summit – convening the arts sector virtually

The 2020 Maryland Arts Summit — held as a free four-day virtual gathering in May 2020 by Maryland Citizens for the Arts in collaboration with MSAC — served over 3,200 participants across 56 sessions with 70 presenters. Session topics included equity and justice work, adapting to challenges presented by COVID-19, financial strategies for sustainability, and long-term planning.



Poetry Out Loud – enriching the student experience

The words of great poets come to life in Poetry Out Loud (POL), a literary arts program created by the National Endowment for the Arts and the Poetry Foundation. Through MSAC support, students across Maryland are enriched by this national arts education program that encourages the mastery of great poetry through memorization, performance, and competition. Participation in POL offers students the opportunity to learn about their literary heritage, build self-confidence, and improve their public speaking skills.

Randolph Smith, an 11th-grader at Concordia Preparatory High School in Baltimore County, was selected as the Poetry Out Loud Maryland state champion on March 7 during state finals at Baltimore Center Stage. He was among nine finalists selected from more than 24 Maryland students in nine counties who competed in the statewide competition. During the competition, Randolph recited “The Negro Speaks of Rivers” by Langston Hughes, “Prints” by Joseph Bruchac, and “Is My Team Ploughing” by A.E. Housman.

2019 Regional Arts Institutes – fostering local connections

Fall 2019 Regional Arts Institutes connected with more than 500 constituents across the state, convening in seven locations:

- Solomons (Calvert County)
- Ocean City (Worcester County)
- Hagerstown (Washington County)
- Chestertown (Kent County)
- Bethesda (Montgomery County)
- Baltimore City
- Brooklyn Park (Anne Arundel County)

The institutes provided opportunities for technical assistance, listening sessions, and feedback about MSAC strategic planning implementation. Institutes in Chestertown and Bethesda highlighted their Arts & Entertainment Districts in an all-day convening of district managers.

MSAC Exhibitions – showcasing artists from across the state

MSAC showcased a multitude of artists in its office space and virtually in FY 2020.

“The Photographer Is Listening,” a physical exhibition in MSAC’s office, ran August through November 2019 and presented photography by Edwin Remsberg documenting Maryland’s musical traditions and offering visitors the opportunity to view video documentaries of each photograph’s subject by scanning QR codes.

In 2020, MSAC celebrated the Year of the Woman through exhibitions, introducing an open call, non-juried exhibition of original visual art and written messages to mother figures January through March and transitioning to virtual exhibitions in May with MSAC’s inaugural online exhibition of visual art by Maryland artists on the theme of women and nature.



Dominique Butler, Baltimore City

“Women and Nature” was an MSAC open call exhibition via three social platforms, Instagram, Facebook and Twitter. The exhibit explored the relationship between the artist and Mother Earth through two-dimensional visual art and poetry created by Maryland artists, including invited artist Yumi Hogan, Maryland’s First Lady.

New Arts & Entertainment Districts – fueling revitalization through the arts

In FY 2020, Arts & Entertainment Districts in Talbot County and Baltimore City began working toward revitalization goals using tax incentives and other tools provided by the state’s designation program. Easton, long known for its vibrant mix of fine art galleries, performance venues, concert halls, art museums, and artist studios plus a burgeoning artisan scene, looks to use its A&E District to encourage community-led revitalization in areas of untapped development, extending the benefits that the arts have brought to the historic district to the East End of town.

In West Baltimore, the new Pennsylvania Avenue Black A&E District that spans the Pennsylvania Avenue corridor has generated a community-led revitalization effort looking to the corridor’s storied past as a hub of social, economic, and art activity for Baltimore’s black community that will support arts, culture, entertainment, and creative enterprise, leading to a renewed avenue alive with the arts.

The first application for an A&E District in Baltimore County was approved, making Catonsville the 29th A&E District in Maryland.

Financials Fiscal Year 2020

Commerce Actual Expenditures

Office of the Secretary (includes AG)	\$	3,121,144
Office of Policy and Research	\$	1,574,199
Office of International Investment and Trade	\$	3,263,740
Division of Marketing and Communications	\$	2,390,022
Maryland Marketing Partnership	\$	1,894,215
Division of Administration and Technology	\$	5,428,376
Office of Military and Federal Affairs	\$	2,495,108
Division of Business and Industry Sector Development		
Operations	\$	12,505,465
Financing and Education and Training	\$	20,594,050
Business Relief	\$	96,816,778
Tax Credits	\$	13,389,875
Division of Tourism, Film, and the Arts		
Office of the Assistant Secretary	\$	658,497
Office of Tourism Development	\$	3,449,598
Maryland Tourism Development Board	\$	10,203,038
Maryland State Arts Council	\$	24,817,541
Preservation of Cultural Arts Program	\$	500,000
Grand Total	\$	203,101,646

FY2020 Contract Awards and Procurement Activity

Contract Awards—Minority Business Enterprises (MBE)

Total value of contracts awarded to MBEs	\$	434,944
Total value of all contracts awarded	\$	4,783,541
MBE awards as percent of all contracts		9.09%

Procurement Activity Small Business Reserve (SBR) Program

Total procurement payments to SBR contractors	\$	830,977
Total procurement payments	\$	4,197,968
Payments to SBR contractors as percent of all payments		19.8%

All totals are preliminary results pending review and approval by Governor's Office of Small, Minority & Women-Owned Business Affairs

Note: All procurement expenditures that are exempt from state report requirements are excluded from the above totals.

Tax Credits

Biotechnology Investment Incentive Tax Credit (FY20)

- 18 QMBCs assisted*
- 162 investor applications approved
- \$10.8 million in tax credits issued
- \$22 million leveraged

Buy Maryland Cybersecurity Tax Credit (FY20)

- 11 QMCSs assisted**
- 39 QMCBs approved**
- \$529,158 in tax credits Issued

Employer Security Clearance Costs Tax Credit (TY18)

- 64 business certified
- \$17.2 million in employer security clearance costs
- \$2 million in credits awarded

Wineries and Vineyards Tax Credit (TY18)

- 35 businesses certified
- \$2.3 million in wineries and vineyards capital expenditures
- \$500,000 in credits awarded

Cybersecurity Investment Tax Credit (FY20)

- 3 QMCCs assisted***
- 7 investor applications approved
- \$756,090 in tax credits issued
- \$2 million leveraged

Enterprise Zone Program

- 38 enterprise zones as of December, 2019
- 573 businesses to receive real property tax credits
- \$45.71 million in real property tax credits
- \$1.5 million, \$673,481, \$5.7 million in income tax credit claimed in FY2017, 2018 and 2019 respectively (Reporting system changed from CY to FY)

Job Creation Tax Credit

- 7 businesses certified
- 603 jobs created
- \$58.9 million in payroll

Research and Development Tax Credit (TY18)

- 402 businesses certified
- \$2.43 billion in R&D expenses
- \$12 million in credits awarded

One Maryland Tax Credit

- 1 certificate issued
- \$5 million in credits awarded
- \$8.57 million in eligible project costs
- 111 jobs created
- \$10.8 million payroll

* Qualified Maryland biotechnology companies

** Qualified Maryland cybersecurity sellers/Qualified Maryland cybersecurity buyers

*** Qualified Maryland cybersecurity companies

For complete program reports, visit commerce.maryland.gov

Financial Assistance Projects Approved FY20

Approved	Number of Projects	Loan/Grant Amount	Loan Guarantee Amount	Total Project Costs/Private Sector Dollars Leveraged	Jobs Created	Jobs Retained	Projected Trainees
Advantage Maryland	8	\$ 5,135,700	\$ 0	\$ 143,953,380	1,246	2,378	0
MIDFA*	0	\$ 0	\$ 0	\$ 0	—	—	0
MSBDFA*	25	\$ 7,347,419	\$ 820,000	\$ 16,097,000	143	263	0
MPVOLP	3	\$ 150,000	\$ 0	\$ 463,000	27	4	0
MEAF	0	\$ 0	\$ 0	\$ 0	—	—	0
Sunny Day	0	\$ 0	\$ 0	\$ 0	—	—	0
PWQ	14	\$ 274,891	\$ 0	\$ 456,982	56	757	242
NIMBL	5	\$ 125,000	\$ 0	\$ 125,000	—	—	0
SMWOBA	77	\$ 10,264,957	\$ 0	\$ 12,975,757	463	432	—
Total Approved	132	\$ 23,297,967	\$ 820,000	\$ 174,071,119	1,935	3,834	242

*Bond issuances and private sector loans included in total

Advantage Maryland was formerly known as MEDAAF – Maryland Economic Development Assistance Authority and Fund

MIDFA – Maryland Industrial Development Financing Authority

MSBDFA – Maryland Small Business Development Financing Authority

MPVOLP – Military Personnel and Veteran-Owned Loan Program

MEAF – Maryland Economic Adjustment Fund

Sunny Day – Economic Development Opportunities Fund

PWQ – Partnership for Workforce Quality

NIMBL – Maryland Nonprofit Interest-Free, Micro Bridge Loan Account

SMWOBA – Small, Minority & Women-Owned Business Affairs

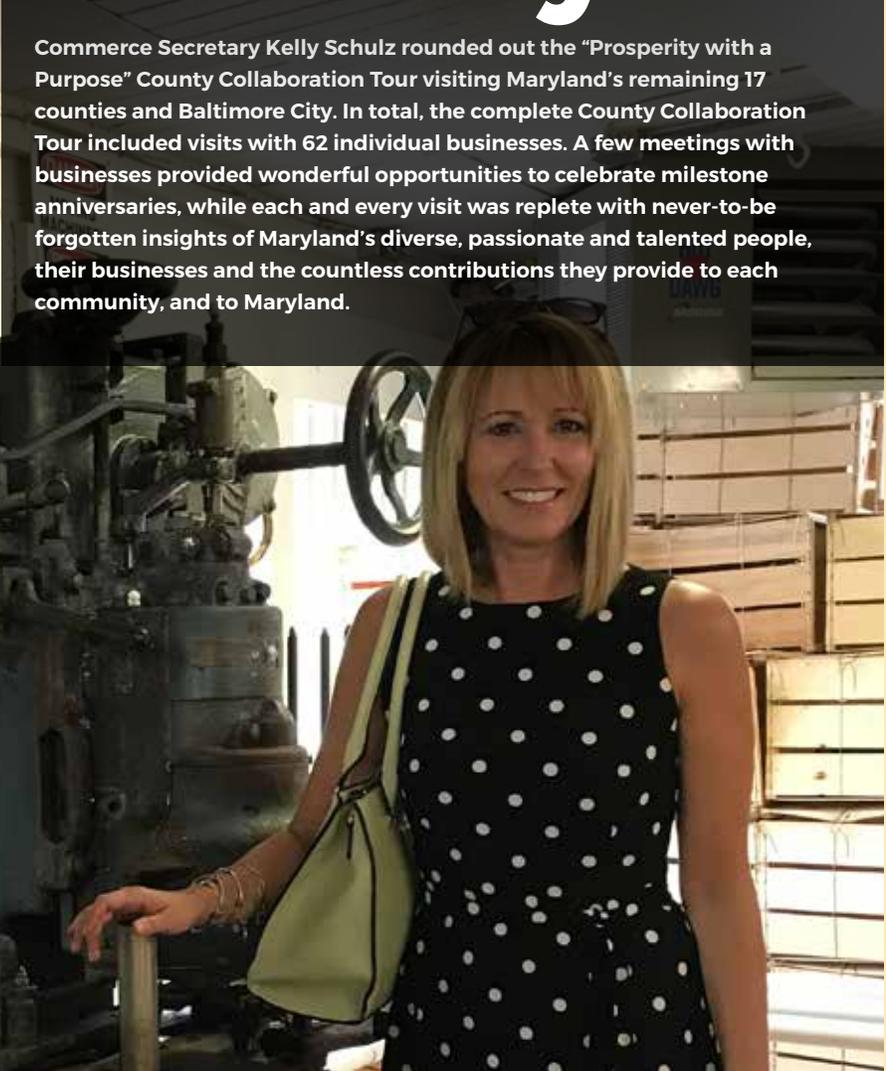
Maryland State Arts Council Grants FY20

Grants for Organizations	\$ 15,537,930
Community Arts Development	\$ 3,500,001
Arts in Education	\$ 665,716
Independent Artist Awards	\$ 298,000
Maryland Traditions	\$ 74,429
Folklife Network	\$ 109,000
Public Art	\$ 52,096
Maryland Presenting and Touring	\$ 63,943
Arts & Entertainment Districts	\$ 435,886
Creativity Grants	\$ 260,439
Professional Development Grants	\$ 18,594
Special Project Grants	\$ 253,500
Emergency Grants	\$ 1,023,950
Total Grants	\$ 22,293,484



Getting to know you

Commerce Secretary Kelly Schulz rounded out the "Prosperity with a Purpose" County Collaboration Tour visiting Maryland's remaining 17 counties and Baltimore City. In total, the complete County Collaboration Tour included visits with 62 individual businesses. A few meetings with businesses provided wonderful opportunities to celebrate milestone anniversaries, while each and every visit was replete with never-to-be forgotten insights of Maryland's diverse, passionate and talented people, their businesses and the countless contributions they provide to each community, and to Maryland.



Working together

“Commerce’s mission has always been to support Maryland’s business community. But, since the onset of COVID-19 we’ve shifted our focus from attracting, retaining, and growing Maryland businesses to sustaining our businesses through this crisis. Team members throughout our department took on new responsibilities, and dozens of employees from other state agencies lent us their services to help get this emergency assistance to our businesses.”

Commerce Secretary Schulz

Maryland Commerce re

March 5

State of emergency declared

“With this declaration, I am officially authorizing and directing the Maryland Department of Health and the Maryland Emergency Management Agency to ramp up coordination among all state and local agencies and enable them to fast-track coordination with our state and local health departments and emergency management teams.”

Gov. Larry Hogan

March 12

MEMA full alert, schools close, mandatory teleworking for all non-essential state workers begins
March 13

March 18

Maryland Commerce creates new webpage – Maryland Business Express Coronavirus (COVID-19) Information for Businesses

March 19

Maryland receives official SBA designation for Economic Injury Loans program

These low-interest SBA loans help alleviate financial strain and allow businesses to pay bills, payroll, and accounts payable, with long-term payments stretching up to 30 years.

Maryland’s swift response to COVID-19 provided a critical and unified



Commerce workforce adapts

Maryland Commerce rapidly transitioned nearly 100% of its workforce to telework and adopted an all-hands-on-deck attitude to answer the call for assistance outside of the team’s normal job descriptions. Immediately, local, national, and global events were hard hit, with many being canceled and others going virtual. Travel of all kinds came to a halt. At the same time, effective and real-time communication about COVID-19, within the agency and beyond, was of paramount importance.

Commerce maintained internal communication at all levels through daily conference calls, Google Hangouts, WebEx, emails, and one-on-one calls. The agency also established a central resource for communicating with Maryland’s business community. Commerce, with the assistance of the Maryland Department of Assessments and Taxation and the Maryland Department of Labor, created a page on the Business Express website that was

updated constantly to provide businesses with thorough, real-time information (<https://govstatus.egov.com/md-coronavirus-business>).

Commerce supports the Maryland Emergency Management Agency Response

From March until June, as part of the state response to COVID-19, numerous Commerce staff members were deployed to the Maryland Emergency Management Agency (MEMA), the Joint Information Center (JIC), and the Business Emergency Operations Center (BEOC). Staff from throughout the agency, with coordination from Commerce’s Director of Administration and Technology, provided a multitude of skills and talents to assist with operations in all areas of expertise.

Services provided by Commerce staff:

- Participated in daily COVID statewide coordination calls with MEMA
- Responded to coronavirus-related inquiries from businesses sent to BEOC

sponds to the pandemic

March 23

Loans, grants, workforce assistance offered through Maryland Commerce, Labor

Gov. Hogan announces more than \$175 million to assist small businesses and nonprofit organizations impacted by the coronavirus outbreak.

March 23

40,000 Small business loan and grant applications received

March-June

Loans and grants are processed - 150 volunteers and a cross-section of Commerce employees process small business loans and grants and disburse payments.

April 24

Maryland Strong Roadmap to Recovery plan announced by Gov. Hogan.

April and beyond

Back to Business

Commerce and industry task force groups create the Back to Business web page, which features industry best practices for reopening safely and the Back to Business pledge.

foundation for state and local agencies to meet the pandemic head-on.



**Una sola persona puede hacer la gran diferencia.
Aléjese. Quédese en Casa. Frene el Contagio.**

- Identified providers of personal protective equipment (PPE) to support MEMA's mission to reduce disaster risks
- Vetted offers from the private sector to provide PPE, ventilators, tents, and lodging
- Provided JIC with digital and print design of fact sheets, PSAs, social media posts, website banner ads and billboards
- Provided Spanish and Chinese translation services to JIC
- Established procedures for vetting and/or communicating about vendor and procurement inquiries and requirements, and coordinating their activities among state vendors located at BEOC
- Assisted with customs requirements and delivery logistics for large donations of PPE
- Established an emergency vendor database to assist the Department of General Services (DGS) with its new emergency procurement process; over 2,146 foreign and domestic vendors were vetted, and 846 were added to the database

Emergency business relief takes center stage

Gov. Hogan allocated more than \$175 million to assist small businesses and nonprofit organizations impacted by the coronavirus outbreak – with \$130 million in new funding allocated through Maryland Commerce to help support new loan and grant programs as well as manufacturers.

- **\$75 million Relief Loan Fund** – for-profit businesses with 50 or fewer employees
- **\$50 million Relief Grant Fund** – business and nonprofits with 50 or fewer employees
- **\$5 million PPE Manufacturers Grant Fund** – up to \$100,000 grants to existing manufacturers to expand their current operations to produce items on the critical needs list

The response from Maryland's small business community was immediate and massive. Within a few days, Commerce's Digital Marketing team worked with the Department of Information Technology (DOIT) to identify a vendor and build a new workflow and loan approval system. The OneStop loan and grant portal was set up in record time to accept more than 40,000 submissions.

The Maryland State Arts Council also awarded emergency grants totaling \$1 million in FY2020 to support arts organizations and independent artists across the state as they adjusted to losses sustained because of modified or canceled programming and/or operations.

All hands on deck to process business loans and grants

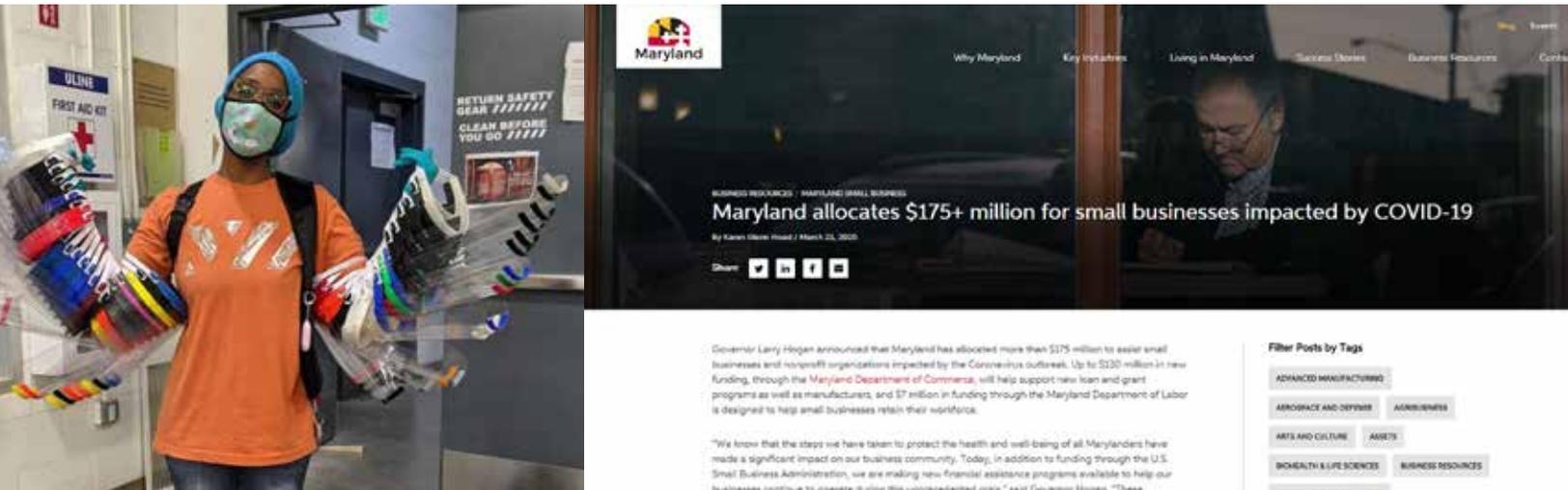
To meet this unprecedented demand, the entire Commerce Department pulled together staff from every unit. The Finance team organized its Business units to

review the loans and grants and reach out to businesses to collect additional information. The Policy, Research, and Government Affairs team took the lead in project management and training more than 150 volunteers from across state government. And, the Communications and Marketing team sent out regular emails keeping the applicants informed along the way.

Duties performed by those assisting with the emergency grant and loan programs for businesses included reviewing applications, verifying financial data, and obtaining payment information from applicants.

Implementing the Maryland Manufacturing Innovation Grant

Commerce's Strategic Industries and Entrepreneurship team took the lead on the COVID-19 Maryland Manufacturing Innovation Grant. Working with the



BUSINESS RESPONSE —

Hundreds of customers responded to receiving emergency relief funding. While not every testimonial was a happy one, most were. Here's what some of them had to say:

"Hallelujah!"

"Oh my goodness...is this for the full amount I requested? Hallelujah. Thank you. From the bottom of my heart, thank you. This is a miracle. Really. Thank you."

Jeannie J. Kim / Me S. Kim, New Super Cleaners

"The Department of Commerce rescued us."

"Good morning. I am pleased to tell you that the grant that I submitted to the Maryland

State Department of Commerce has been approved! This grant funding will transform lives as we continue to become a vital asset in our community. I'd like to thank you for your continuous encouragement when we were faced with closing our doors. The Department of Commerce helped a disadvantaged minority business stay in business. The Department of Commerce rescued us."

Altimont Mark Wilks, owner of Carmen's Corner Store

Business Attraction and Location Services team, it created a process that included:

- Creating a grant application and tracking system (Formability) for the manufacturing of critically needed products
- Onboarding and training of seven volunteer reviewers with manufacturing expertise to support the business and technical reviews of the grant applications
- Developing and managing four grant review teams consisting of in-house Commerce staff and external reviewers
- Developing an approval process including application screening/reviews, applicant interviews, negotiating scopes of work, and the execution of grant disbursements with the Commerce Finance team.

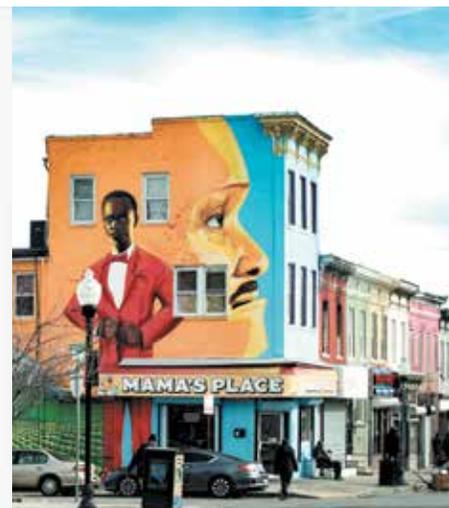
Additional emergency funding assists small businesses and nonprofits

In July another \$50 million was allocated for small businesses:

- \$45 million for the Maryland Small Business COVID-19 Emergency Relief Grant Fund
- \$5 million allocated towards Commerce's Maryland Small Business Development Financing Authority (MSBDFA) for loans for economically and socially disadvantaged entrepreneurs

With an additional \$50 million, the Maryland Nonprofit Recovery Initiative was established to help organizations address the revenue reductions and expense increases due to the economic and safety effects of the COVID-19 pandemic. Of this amount:

- Up to \$8 million was allocated to nonprofits that also applied for the COVID-19 Relief Grant Fund, including



IN THEIR OWN WORDS

"I LOVE Maryland!"

"THANK YOU SO MUCH for getting our loan application processed and paid out quickly! I love MD!"

Susan & Mark Rosenfeld, Keller Williams
American Premier Realty, Moon Ridge Property Management

"You're keeping our small businesses afloat."

"Thank you. And thank you for helping so many people. I know that you may not hear it, but you're keeping our small businesses afloat."

Tom Ingegno, Charm City Integrative Health

"Considering the number of applicants that you get these days, I would say you guys are doing a great job in addressing our applications in a timely manner. God Bless!"

Negassi Seyoum, Commerce Customer Service Survey.

"I just want to thank you for all you are doing, and for your positive and kind attitude during this difficult time. I'm planning to join the Emergency Relief Resources webinar next week. Thanks to MSAC for making this opportunity available."

Caitlin Patton, National Music Festival

a new application process for 501(c)(6), funded by the Maryland Department of Housing and Community Development.

- \$3 million assisted arts organizations and artists through the Maryland State Arts Council's Emergency Grant Program.

Communication was vital

Commerce's Marketing and Communications team focused on providing the business community with up-to-date accessible information and resources across all platforms. Providing clear, timely information to the public served to protect the lives and livelihoods of Marylanders and the business community. Moreover, the ongoing collaboration between Marketing and Communications, the Governor's Office, MEMA, and partner agencies was of vital importance in the ongoing development of COVID-related messaging to ensure its accuracy.

Much of Maryland's business community relied on the internet to navigate the pandemic-driven changes and expectations, whether it be how to protect oneself or loved ones, how to apply for assistance, or how to answer a growing list of "what are my options, how does this work, what's next?" questions. Very early on in the pandemic, Commerce, with the assistance of the Maryland Department of Assessment and Taxation and the Maryland Department of Labor, established a web page on the Business Express website that provided businesses with real-time information on the coronavirus.

As the pandemic unfolded, the Marketing and Communications team created more web pages, social media postings, videos, print collateral, blogs, and press releases. These resources became the go-to tools for businesses throughout the crisis and required close coordination with the Governor's Office, county partners, the SBA, and more. Commerce's Communications and Legislative teams also worked hand in glove with the



"...an invaluable resource"

"Your website has a tremendous amount of clear and well-presented information at this very confusing time. Thank you! You provide an invaluable resource for me in my role as the director of a small Baltimore-based manufacturer's rep firm (under 10 employees) that has provided industrial process control instrumentation products and services since 1979.

I'm doing all that I can to keep our business open while keeping my employees safe and providing the critical assistance and products that our customers require to keep the lights on, water flowing, and products (food, pharma, chemical; etc...) in production. The resources and information on your site are doing a beautiful job in helping me navigate these very uncertain and rapidly changing times. Keep up the great work. I appreciate it greatly.

Thanks again. Gratefully,"

Rebecca Buhner, Flow Controls, Inc.

Secretary's Office to utilize a variety of outlets to personally reach out to Maryland citizens to lend support, including 90+ webinars with congressional leaders, local legislators, and business groups, 18 media interviews, and more than 20 listening session webinars.

Covid-19.application@Maryland.gov

A special mailbox was set up to handle questions related to the Small Business COVID-19 Emergency Relief Grant and Loan Funds. Commerce staff, primarily from the legislative and communications teams, monitored this mailbox daily and responded to more than 20,000 emails to help keep businesses apprised of their application status; ensure they understood the information they needed to provide and help them correct errors; answer their questions about the review process and assist in locating their checks. This work continued through the remainder of 2020 as the grant program received additional rounds of funding.



Secretary.Commerce@Maryland.gov

The Commerce team staffed the mailbox daily, responding to nearly 7,000 inquiries from citizens and businesses on a wide variety of topics including interpreting the Governor's executive orders; determining "essential" businesses and whether they could operate; funding programs for small businesses; complaints about non-compliant businesses and unsafe work environments; evictions and foreclosures; face coverings and masks; and plans/guidance to reopen the economy.



Commerce communicates

Providing accurate and timely information to the business community was a top priority during the COVID-19 crisis. The following list is a snapshot of activities and initiatives put into motion to keep the lines of communication open and active.

- Assisted with thousands of business inquiries related to the grants and loans programs
- Disseminated ongoing email communications with partner agencies to the business community
- Built web pages for each of the new business programs and maintained an FAQ page
- Regularly updated all of the state and federal resources, including business loans and grant information
- Deployed the unit's web designer to assist MEMA's team throughout the crisis
- Created blogs and social posts to highlight company innovations responding to the crisis
- Set up and staffed webinars for Secretary Schulz to discuss and promote resources available with business groups across the state
- Ongoing legislative updates
- Business Pulse E-newsletter
- Social media posts, sharing of COVID-19 news, announcements, advice, and outreach
- 90+ webinars with congressional leaders, local legislators, and business groups
- Phone calls with economic development organizations, boards and commissions
- 18 media interviews – WBAL, Allegany Radio, WNAV, WFMD, FOX45
- Maryland State Arts Council: ongoing news E-blasts, social media, announcements, 20+ listening session webinars with more than 2,000 attendees.

On the front line with businesses

The Regional Growth and Retention team served as a kind of first responder to the state's business community, including the many economic development organizations and their teams. Along with covering the state's 24 jurisdictions, the team also helped prepare data for Maryland's application for the State SBA Disaster Declaration and acted as the point of contact for the SBA Economic Injury Disaster Loans (EIDL) and EIDL Advance and Paycheck Protection programs. A partial snapshot of how the team worked includes:

- Averaging 150 calls and emails per day requesting help from business owners/counties and municipalities
- Developing resource templates, tracking spreadsheets, group chats for quick resolutions, and establishing a network of contacts in other agencies

- Developing rolling responses, attending multiple webinars conducted weekly by SBA, NFIB, Inc., White House briefings, and private sector workshops, then sharing the resulting info for team use
- Assisting business owners with working through closing requirements, allowed activities, financial resources, and unemployment insurance issues
- Assisting with the development of the Maryland Business Relief Wizard Tool to connect businesses with federal and state resources, streamlining the process for finding support
- Working closely with counties as they developed emergency business relief programs, and tracking their launch for inclusion on the Commerce website
- Conducting outreach to counties/Baltimore City to create financial loss statements and supporting documents
- Partnering with the SBA on program webinars



“It makes me proud”

“This means a lot to me personally as it has brought me and many others back to work during this time! It makes me proud to live in a state that supports companies who have truly helped in America’s time of need. Thank you, Maryland Department of Commerce, and thank you, Governor Hogan, for recognizing the effort to manufacture quality PPE right here in Baltimore, MD.”

Timothy Wilson, Hatch Exhibits

Hatch Exhibits quickly pivoted business operations to support PPE needs during COVID-19. In just two short weeks, Canon Solutions America, Inc.’s customer, Hatch Exhibits, went from operating as a full-service exhibit

production shop in Maryland to a producer of protective face shields, disposable gowns, and touchless doorknobs to help those in their community during the COVID-19 pandemic.

The Shield Pals Columbia store is believed to be the first retail PPE-only store in a U.S. mall

Hatch Exhibits went on to launch Shield Pals. Shield Pals helps to protect you and others from illness, while helping kids to feel more at ease when visiting medical offices during this pandemic.

Outreach for many, by many – 24/7

Outreach by Maryland Commerce to the business community was, and remains, constant. Staff began finding solutions, providing a voice of support, making commitments to supplying aid, and creating a

- Providing daily resource and information updates to all 24 County Economic Development Organizations.
- Participating as speakers in webinars hosted by county economic development agencies, chambers of commerce, and business associations
- Participating in the Construction, Small Business/ Personal Services, and Professional Services Task Forces.

Maryland's business community pivots to meet demand for PPE

As their normal business operations slowed due to the pandemic, many Maryland manufacturers pivoted to make Personal Protective Equipment (PPE). The state, region, nation, and the planet had a critical shortage of masks, gowns, gloves, and ventilators necessary to protect both health care providers and the general public.

The Office of Strategic Industries and Entrepreneurship (OSIE) directed the development, implementation, and management of the COVID-19 Emergency Maryland Manufacturing Innovation Grant. The result was the awarding of 53 COVID-19 Emergency Maryland Manufacturing Innovation Grants for a total of \$3,810,640. The team also participated in daily calls with DGS, Maryland Department of Health (MDH), MEMA, and others to discuss specific procurement challenges, identify Maryland companies that could help address those supply needs, and brainstorm other creative solutions to meeting the critical PPE needs of the state.

More than 250 Maryland companies and organizations across the state have supported their communities' response to the COVID-19 pandemic. Commerce maintains a list at governor.maryland.gov/maryland-unites-businesses.



mechanism to communicate changing information all the while pushing funding requests to the next level. No need was too small or too great.

Websites, Webinars and more

Maryland Manufacturing Network Supplier Portal

OSIE partnered with the Maryland Manufacturing Extension Partnership to create the [Maryland Manufacturing Network Supplier Portal](#). The goal of the portal was to create a searchable database of Maryland-based manufacturers and suppliers of PPE and other critical medical items. The database would be accessed easily by those who needed to procure these items – local hospitals and other health care facilities, local emergency managers, and the private sector in need of supplies to safely bring their employees back to work.

The Maryland Manufacturing Network Supplier Portal includes 339 Maryland-based manufacturers and suppliers, has facilitated 6,665 introductions between buyers and suppliers, and has generated \$926,500 in purchases as a direct result of these introductions.

Webinar – “Primer for Economic Development in Maryland”

Sponsored and organized by the Professional Development Committee of MEDA, the Maryland Economic Development Association, this one-day event was postponed from late March to a series of webinars in June. It was attended by 35 people, most of whom are new to the economic development profession. Multiple Commerce business development staff contributed. Topics included:

- A presentation on “Maryland’s Economy, Key Industries, and Strategic Advantages”
- A panel discussion of “How Does Maryland ‘Do’ Economic Development?”
- Presentations on the Department of Commerce, the Maryland Economic Development Commission, and many other economic development organizations.

Maryland Business Relief Wizard Tool

The Commerce Regional Growth and Retention team helped build the Relief Wizard Tool to connect businesses with the federal and state resources and programming for which they're eligible, streamlining the process of finding support. A public/private development team including Howard County Economic Development, Howard County Chamber, Mind Grub, Offit Kurman, and KatzAbosch, created the Relief Wizard Tool.

Maryland Partners in International Trade (MAPIT) Alliance

The MAPIT Alliance is a partnership consisting of key entities in Maryland, including the Center for Global Business at the University of Maryland Robert H. Smith School of Business, the Maryland Department of Commerce, the U.S. Commercial Service, and the MD-DC District Export Council. The MAPIT Alliance leads initiatives

to help map the export resources that exist in the state and make them more coordinated and accessible to new-to-export and experienced exporters via workshops, webinars, and other resources. A webinar series focused on non-travel export activities offered several sessions to assist exporters during the COVID pandemic:

- "Quarantine Yourself, Not Your Business: Web Strategies to Stay Connected with Global Markets" 4/7/20, 101 attendees.
- "Everyone Is Online: Reaching Your Global Customer through Digital Marketing" 4/30/20, 84 attendees.
- "You Can't Travel, But Your Products Can: Shipping and Logistics during a Pandemic" 5/19/20, 60 attendees.
- "Where Are All Your International Customers? Finding Them with the Right Online Research" 6/16/20, 64 attendees.



Maryland's life sciences industry in over 30 one-on-one virtual partnering meetings. Taking advantage of the new format, Commerce staff provided additional business development services to Maryland companies unable to participate in the conference. Commerce "virtually exhibited" assets available for out-licensing on its profile page and organized meetings for Maryland companies with potential partners interested in these assets via BIO's virtual partnering platform.

"Commerce's efforts at BIO 2020 were remarkably helpful to Sequella. With the team managing the partnering process, we had substantial discussions that we will be following up on."

Carol Nacy, CEO, Sequella Inc.

Answering a call for help

Business Dilemma Brought To Commerce

From: Ellicott City Sew-Vac

Date: April 3, 2020

Hi Senator Hester,

My name is Janice Freeland and I own and operate Ellicott City Sew-Vac in the Normandy Shopping Center. I have been here for 30 years. We stopped letting customers in the store for machine repairs. Since we are no longer allowed to do curbside pick-up and delivery I am turning desperate people away on the phone all day long. We still are shipping fabric, elastic, thread, etc., for the hundreds of people trying to make masks for personal use, and many of my regular customers are making them for hospitals, nursing homes, and more. We took a call from Johns Hopkins for a very large order

Commerce Entrepreneurship and Small Business participated in numerous events:

- Capital M ZoomCast Live COVID Webinar Series – Hosted by the Maryland Tech Council, and joined by the head of T. Rowe Price’s COVID relief team, the discussion emphasized the Professional Services Advisory Group process and recommendations.
- Bethesda Green Webinar – Discussed the effect of the pandemic on entrepreneurs and the economy.
- The Maryland Association of Accounting and Tax Professionals – A Facebook Live event shared the Professional Services Advisory Group process and recommendations for reopening offices.

The Office of Military and Federal Affairs (OMFA) provided support for Maryland’s military community:

- Participated in a regional SBA presentation on the federal government business financial aid programs related to COVID-19 assistance

- Hosted a Defense Cybersecurity Assistance Program (DCAP) webinar organized by service provider MD MEP on cybersecurity threats during COVID-19
- An OMFA representative spoke on COVID-19 impacts on Maryland’s manufacturing sector for the MD MEP webinar
- OMFA staff participated in 22 webinars conducted by the COVID Military Support Initiative, sponsored by the National Association of Defense Communities (ADC) and the Blue Star Families organizations.
- OMFA staff participated in a series of 10 weekly Facebook town hall meetings in which the garrison commanders at Fort Meade, Fort Detrick, and Aberdeen Proving Ground provided updates to their installations’ COVID response and current restrictions.

BIO International Convention goes virtual

The BIO International Convention transitioned to a new digital format in 2020, and Commerce represented



for fabric. I had to tell them I would have to ship it, that we could no longer do curbside pick-up. Please, if there is anything you can do to allow us to return to curbside pick-up and delivery I think it would help everyone.

Thanks for any help you can give,
Janice M. Freeland

Resolution Provided By Commerce

Within a couple of hours of the inquiry, Commerce consulted the executive order and reached out to its legal counsel on behalf of this business. It concluded that the repair of sewing machines to help with the urgent manufacture of surgical masks is indeed an essential service. When notified by Secretary Schulz, business owner Janice Freeland’s reply says it all.

“Thank you for making this happen! I will have so many happy customers.”

Tourism during the pandemic

The Office of Tourism Development (OTD) experienced widespread and often tsunami-sized challenges due to COVID-19’s high impact on service industries such as restaurants, travel, lodging, and other customer service-related activities. The state’s Welcome Centers were closed as workers pivoted to working remotely and OTD’s Call Center transitioned to support COVID-related calls.

Some staff assisted with grants and loans administration, others conducted surveys for the travel industry to gauge how the pandemic was affecting their businesses, while other emergency business relief efforts included working with destination marketing partners to extend their grant terms to allow them to keep the funds in reserve until the time was right to go back to inviting customers to their destinations. Team members partnered with the motorcoach industry Motorcoaches Rolling for Awareness national rally in Washington, D.C., to garner support for

the industry to be included in the next round of stimulus packages; it was not included in the first round of the CARES Act.

Workers developed new ideas, strategies, and plans for “Keeping Maryland Open” and looking ahead to brighter days. OTD created the Tourism Recovery Task Force, working with nearly 200 business representatives to develop a plan detailing needs and strategies to reopen.

Crucial tourism outreach

As their colleagues in the Commerce Business Development units conducted wide-ranging outreach efforts, the tourism team also worked to maintain communications with their stakeholders and customers utilizing webinars, social messaging, virtual meetings, and conversations with county tourism offices. Media and secured placements focused on Maryland’s proximity to

major urban areas, touting the state’s room to stretch your legs, relax, and revisit the simple life.

Marketing and advertising shifts

Marketing and advertising efforts pivoted to virtual engagement to inspire and keep Maryland top of mind, so when people were ready to seek out information about leisure travel, it would be at their fingertips on visitmaryland.org.

Although the spring/summer marketing campaign and General TV advertising were paused, the OTD:

- Created an “interim” TV commercial with softer messaging: “When you’re ready for travel, Maryland will be open for you.”
- Replaced their regular “Maryland Minute” radio spots with special messages from Secretary Schulz
- Changed the focus of its consumer and industry e-newsletters to be situation-specific.



“Thank you MSAC for your tremendous leadership in this unprecedented time... I cannot say this enough, you are so appreciated...”

Rhonda Dallas, Prince George’s Arts and Humanities Council

Outreach within reach

Along with the morning cup of coffee, MSAC conducted a variety of webinars, maintained a flow of information through listening sessions, monthly conversations with county arts organizations, and social messaging platforms including Facebook, Twitter, and Instagram. The MSAC team maintained virtual event listings, compiling submissions as artists and arts organizations pivoted their events, workshops, and gatherings to a digital platform.

MSAC’s social messaging goal promotes Maryland’s arts sector with the underlying message that “The Arts are waiting for you” as seen in the video created with Wide Angle Youth Media. The video series will continue into the fall on YouTube.

“Keep up the great work. I especially like your attentive responses to questions/concerns and constant reminders of deadlines and opportunities available through MSAC.”

Tom Colonna, Customer Service Survey, 4/3/20.

Flexible posture required

MSAC was not immune from major disruptions in various event schedules. Beyond transitioning all meetings and planned events to virtual platforms, MSAC collaborated with Maryland Citizens for the Arts to move the annual Maryland Arts Summit from a two-day, in-person event

Visitmaryland.org changes

- Posted relevant and timely COVID-19 travel information on consumer website VisitMaryland.org and travel industry website
- Scrubbed consumer site for any language that suggested crowds and large gatherings, as well as imagery/language on the homepage suggesting crowds
- Created webpage content for restaurants offering carryout options and curbside pick-up
- Developed web content for virtual Maryland-related games for people to play at home
- Generated web content for tourism-related attractions offering virtual experiences
- Designed a "You Owe Yourself" campaign to engage with followers on their intentions for travel post-stay-at-home.

The Maryland State Arts Council gets creative

Using Emergency Grant funding, the Maryland State Arts Council (MSAC) approved grants for 64 arts organizations totaling \$869,318 and 61 independent artists totaling \$128,682. A full list of grantees is available at msac.org/grants-awarded.

MSAC remained engaged with their many members, arts organizations, county arts agencies, and Arts & Entertainment District managers as they pivoted operations and transitioned all meetings to virtual outreach. The team reached over 2,000 attendees across 35 programs for conversation and various professional development opportunities, including emergency relief resources and strategic programmatic decision-making.

Coffee with Ken became a very popular conversation tool among MSAC's variety of creative communication models.



in Baltimore County to a four-day, virtual event that served over 3,200 participants across 56 sessions with 70 presenters.

County arts agencies and A&E Districts around the state adopted a flexible posture. Many shifted or modified grant stipulations, turned the monthly arts walk activity into virtual events to continue to support local galleries and businesses while some galleries even transformed their space to create a temporary location for donated essential items to serve the community.

"Thank you so much for everything you have done during this pandemic. I have been beyond impressed with the MSAC's response to COVID, and I am very thankful to be a part of this artistic community."

James, Mind on Fire

The Arts community responds

Countless small businesses responded to their fellow artists and lovers of the arts with financial support, moral support, and creative opportunities for community members, including:

- **Baltimore Museum of Art (Baltimore City)** The Necessity of Tomorrow(s) series extended beyond museum walls to provide direct support to artists, galleries, and communities based in Baltimore.
- **Young Audiences of Maryland (Baltimore City)** Created an Early Learning Portal of videos, lessons, and digital materials for students ages 0-8. The organization also worked with Wolf Trap teaching Artists to create live sessions of performances that stream on YouTube and Facebook.
- **Sandy Spring Museum (Montgomery County)** In July, the Sandy Spring Museum, a regional folklife center, in collaboration with local organizations, presented a digital town hall series in reaction to the recent murders of black people titled "Turning Anger Into Action."

Recovery efforts – getting back to business

The journey to recovery has been arduous, but the will and the way to recover were always part of each day's conversations. This report offers an overview of efforts made by Maryland Commerce and many other state employees. Each contribution, big and small, supports the [Maryland Strong: Roadmap to Recovery](#).

Roadmap to Recovery – Commerce Department Establishes Task Force

At Gov. Hogan's request, the Maryland Department of Commerce formed 13 Industry Recovery Advisory Groups to obtain input from each major industry sector and develop guidance for how businesses in those sectors should reopen safely. After a careful review by public health experts and the Governor's Office, best practices

were developed for each group and posted on the new Back to Business webpage.

Advisory groups

- Manufacturing
- Tourism
- Attractions
- Accommodations
- Tourism Transportation
- Destinations
- Restaurants
- Sports
- Retail
- Construction/Development
- Professional Services
- Small Business /1:1 / Personal Services
- Arts

As Maryland began reopening as outlined in the governor's **Maryland Strong: Roadmap to Recovery**, the Department of Commerce continued to add useful information to the Back to Business webpage.



Best Practices for Businesses to Reopen
MANUFACTURING



PREPARE THE BUILDING

- Zone the factory floor and encourage employees to remain in their designated area to the extent possible.



PREPARE THE WORKFORCE

- Face coverings are encouraged but not required if an employee can isolate or separate their work area, either by closing doors or using other physical barriers to maintain six foot distance from other individuals at all times, including individuals in adjacent cubicles or hallways.
- Train employees in current COVID-19 health and workplace guidelines to include procedures for social distancing.
- Even when practicing social distancing.

Maryland – nexus of the fight against COVID-19

Over 40 Maryland companies, universities working on vaccines, therapeutics, diagnostic tests, and clinical research

Maryland has a long tradition of scientific innovation seeded by discovery research at its esteemed academic institutions and federal laboratories. Maryland biopharmaceutical and medical technology companies cover all major therapeutic areas, with 25% addressing infectious diseases. A healthy biomanufacturing sector allows for the production and distribution of therapies on a population scale. These attributes have allowed Maryland companies and universities to quickly pivot in addressing the coronavirus pandemic in a coordinated and effective manner.

Maryland biotech companies secured over \$6 billion in federal funding for SARS-CoV-2 vaccine development and production. More than three dozen Maryland companies are involved in improving diagnostic tests, developing or manufacturing vaccines and therapeutics, or providing clinical research support or technological solutions and services to respond to the pandemic, including leaders such as **AstraZeneca, Becton Dickinson, Emergent BioSolutions, GlaxoSmithKline, Novavax, Pfizer, and Qiagen Sciences.**

Maryland universities quickly mobilized to develop a comprehensive response to the pandemic. \$6 million in university funding has been dedicated by **Johns Hopkins University** to support approximately 260 scientists and researchers working on over 25 projects in interdisciplinary teams – from computational experts to cell biologists to clinicians – to mitigate this pandemic and save lives. Its School of Medicine is conducting over 100 clinical studies to develop effective diagnostics and therapeutics for

Back to Business Webpage

The [Back to Business](#) webpage serves as a resource for business information throughout each phase of Maryland's recovery plan. Industry guidelines based on each task force workgroup's feedback were created and posted on the Back to Business page. Businesses can find important information for their respective industries, download industry guidelines, and print a Back to Business Pledge to display in their places of business.

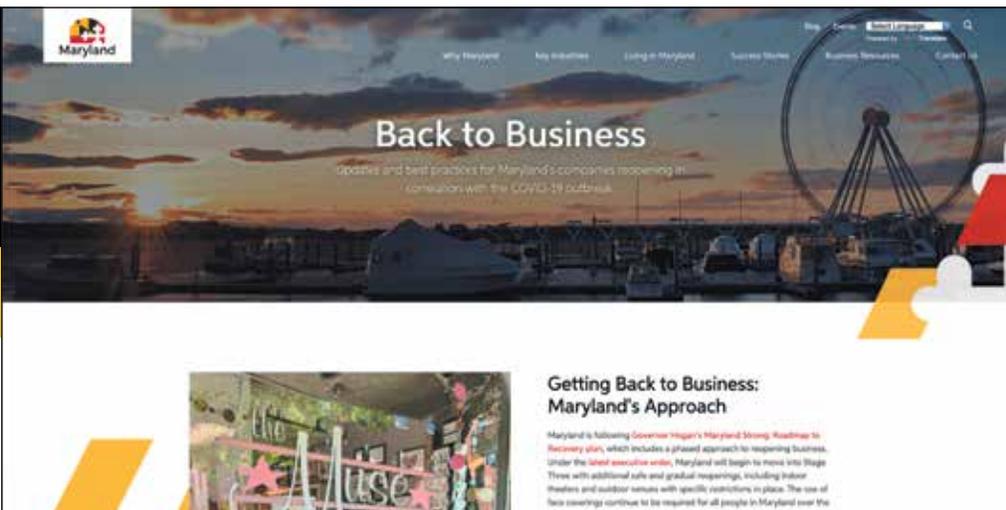
182,573 visits from May (page launch) through August 2020

- **42%** of the visits were in May
- **8,769** Business Pledge downloads
- **90,620** Industry Best Practices and FAQs downloaded

Commerce launches Masks on Maryland Campaign

To encourage citizens to join the fight against COVID-19, the Tourism Office launched the **#MasksOnMaryland** program. The program features radio spots throughout the state and Washington area, along with robust social media messaging from prominent Marylanders encouraging everyone to properly wear masks, maintain safe physical distancing, and to adhere to CDC hygiene practices with the tagline, "Only You Can Keep Maryland Open for Business."

The radio spots were developed by OTD and our tourism industry partners in coordination with the Maryland Department of Health and Gov. Hogan's office. Early announcements were two produced with the Baltimore Ravens tight end starter, Mark Andrews, who urges fans to "Protect the Flock," and Brandon Hyde, manager for the Baltimore Orioles, who encourages listeners to take the lead in keeping friends and neighbors "in the game."



COVID-19 and, together with the Bloomberg School of Public Health, received \$35 million from the Department of Defense to test the efficacy of convalescent blood plasma from COVID-19 survivors as a treatment option for people in the early stages of the disease.

20% of the scientists working on the COVID vaccine in MD are USM grads

The **University System of Maryland** faculty is at the forefront of coronavirus research, developing a rapid COVID-19 test using innovative nanoparticle techniques, conducting a clinical trial of experimental stem cell therapy to reduce deaths among the sickest patients, and studying novel antiviral compounds against SARS-CoV-2, the virus that causes COVID-19. The School of Medicine will receive up to \$3.6 million over the next year from the Defense Advanced Research Projects Agency to rapidly

test hundreds of drugs approved and marketed for other conditions to see whether any can be repurposed to prevent or treat COVID-19. It was the first in the nation to test an mRNA-based vaccine candidate developed by Pfizer and BioNTech and is currently recruiting patients for the most advanced trial for a vaccine candidate developed by Moderna and the National Institutes of Health.

More than 40 Maryland companies and universities are working on vaccines, therapeutics, diagnostic tests, and clinical research. A complete list can be found [here](#).

"Gov.Hogan and everyone in the State of Maryland have been amazing. I feel very blessed to be here. Thank you for all you have done for us."

Fedra Witting, Commerce Customer Service Survey, 4/14/20.



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Larry Hogan, Governor
Boyd Rutherford, Lt. Governor