



Maryland Venture Fund (Including InvestMaryland and the Enterprise Fund) Annual Report – FY'17

Submitted By:

Maryland Technology Development Corporation



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1. Purchasers of Premium Tax Credits

The following insurance companies purchased premium tax credits in March, 2012 under the InvestMaryland Program for the amounts indicated below totaling \$84 million.

All amounts due have been paid in full as of 6/30/17.

Purchasers	Amount Awarded	Price	Designated Capital Contributed	Remaining Due 6/30/17
The Hartford Financial Services Group	\$35,000,000	\$29,400,000	\$29,400,000	\$0
Hartford Fire Insurance Company	-	-	-	-
Hartford Accident and Indemnity Company	-	-	-	-
Hartford Casualty Insurance Company	-	-	-	-
Hartford Underwriters Insurance Company	-	-	-	-
Twin City Fire Insurance Company	-	-	-	-
Hartford Insurance Company of the Midwest	-	-	-	-
Trumbull Insurance Company	-	-	-	-
Property & Casualty Insurance Co. of Hartford	-	-	-	-
Sentinel Insurance Company, Ltd.	-	-	-	-
Hartford Life and Accident Insurance Company	-	-	-	-
Hartford Life and Annuity Insurance Company	-	-	-	-
Metropolitan Life Insurance Company	\$22,500,000	\$18,900,000	\$18,900,000	\$0
Medical Mutual Liberty Insurance Society of MD	\$10,000,000	\$8,400,000	\$8,400,000	\$0
New York Life Insurance Company	\$10,000,000	\$8,400,000	\$8,400,000	\$0
Chubb - Federal Insurance Company	\$6,100,000	\$5,124,000	\$5,124,000	\$0
Selective Insurance Group, Inc.	\$5,000,000	\$4,200,000	\$4,200,000	\$0
GEICO	\$4,900,000	\$4,116,000	\$4,116,000	\$0
Travelers	\$2,500,000	\$2,100,000	\$2,100,000	\$0
Chubb - Great Northern Insurance Company	\$2,000,000	\$1,680,000	\$1,680,000	\$0
Agency Insurance Company of Maryland, Inc.	\$1,000,000	\$840,000	\$840,000	\$0
Injured Workers Insurance Fund	\$1,000,000	\$840,000	\$840,000	\$0
TOTAL	\$100,000,000	\$84,000,000	\$84,000,000	\$0

2. InvestMaryland – Private Venture Capital Fund Allocations

Of the \$84,000,000 raised in the premium tax credit auction, \$56,280,000 was allocated to private venture capital firms committed to invest in Qualified Businesses in Maryland. The Enterprise Fund (dba Maryland Venture Fund) actively manages each venture capital firm relationship. As of 6/30/17, the following nine venture fund partnerships received commitments of designated capital.

Venture Firm	Address	Qualified Individuals	Capital Received 7/1/16 - 6/30/17	Cumulative Capital Received	Uninvested Capital
Core Capital Partners III, LP	1717 K Street NW, Suite 920 Washington, DC 20006	William Dunbar, Mark Levine, Pascal Luck, Randy Klueger, James Keeratisakdawong	\$407,953	\$3,286,289	\$1,246,523
EnerTech Capital Partners IV, LP	One Tower Bridge 100 Front Street, Suite 1225 West Conshohocken, PA 19428	Bill Kingsley, Wally Hunter, Scott Ungerer, Dean Sciorillo, Jarett Carson, Anne-Marie Bourgeois, Chris Buckman, Collen Pale, Gian Vergnetti	\$1,260,000	\$5,442,500	\$1,557,500
New Markets Education Partners, LP	8161 Maple Lawn Blvd, Suite 350 Fulton, MD 20759	Rob Doub, Marc Grovic, Jason Palmer, Donald Spero, Elizabeth Chou, Brooks Taylor	\$247,500	\$2,610,000	\$390,000
Flare Capital Partners Fund IV, LP	200 Newbury Street Boston, MA 02116	Michael Greeley, Bill Geary, Adam Bruce, Dan Gebremedhin, Jason Sibley, Vic Lanio	\$2,000,000	\$4,129,740	\$5,870,260
Grotech Ventures II, LP	8000 Towers Crescent Drive Suite 850 Vienna, VA 22182	Frank Adams, Chuck Cullen, Steve Frederick, Don Rainey, Lawson Devries, Joe Zell, Julia Taxin, Andrew Winslow, Sharon Gogol, Meghan Pfeifer	\$896,343	\$10,179,213	\$1,820,787
Grotech Ventures III, LP	8000 Towers Crescent Drive Suite 850 Vienna, VA 22182	Frank Adams, Chuck Cullen, Steve Frederick, Don Rainey, Lawson Devries, Joe Zell, Julia Taxin, Andrew Winslow, Sharon Gogol, Meghan Pfeifer	\$397,564	\$584,174	\$1,540,826
Kinetic Ventures IX, LP	2 Wisconsin Circle, Suite 620 Chevy Chase, MD 20815	Jake Tarr, William Heflin, Nelson Chu, Cam Lanier, Sydney Shepherd, Claudia Pagano	\$306,596	\$2,454,396	\$2,545,604
New Atlantic Fund IV, LLC	11911 Freedom Drive, Suite 1080 Reston, VA 20190	John Backus, Thanasis Delistathis, Todd Hixon, Scott Johnson, Mel Davidson	\$36,020	\$2,306,906	\$1,215,089
Edison Partners VIII, LP	291 Witherspoon Street Princeton, NJ 08540	Chris Sugden, Ryan Ziegler, Joe Allegra, Michael Kopelman, Gary Golding, Lenard Marcus, David Nevas, Kelly Ford Buckley, Gregg Michaelson, Gary Golding	\$1,781,250	\$2,850,000	\$4,275,000
			\$7,333,226	\$33,843,218	\$20,461,589
TOTAL COMMITTED CAPITAL					\$54,304,807
UNALLOCATED CAPITAL (ADMINISTRATIVE COSTS)					\$1,975,193
GRAND TOTAL					\$56,280,000

The following table summarizes the progress of each venture fund partnership relating to their investments in Qualified Businesses:

Venture Firm	Qualified Business	Investment Amount	Aggregate Fair Market Value 6/30/17	Qualified Distributions 6/30/17	Industry Sector	Size of Business	New Jobs Created in MD	Average Wage	Jobs Retained in MD	Average Wage
Core Capital Partners III, LP	Fugue, Inc. (fka Luminal, Inc.) 47 E All Saints St. Frederick, MD 21701	\$1,719,947	\$12,488,415	\$17,611	Software	Small	2.0	\$99,250	20.0	\$147,225
Core Capital Partners III, LP	Staq, Inc. 8 Market Pl., Suite 403 Baltimore, MD 21202	\$1,700,000			Software	Small	6.0	\$119,833	12.0	\$99,417
Core Capital Partners III, LP	Zerofox, Inc. 1834 S Charles St. Baltimore, MD 21230	\$3,229,468			Software	Medium	15.0	\$80,500	78.0	\$96,100
EnerTech Capital Partners IV, LP	Blue Pillar, Inc. 2 North Market Street, 4th Floor Frederick, MD 21701	\$6,122,422	\$6,154,581	\$0	Software	Small	-	-	7.5	\$154,375
New Markets Education Partners, LP	Calvert Education Services, Inc. 10713 Gilroy Road Suite B Hunt Valley, MD 21031	\$1,148,190	\$4,726,316	\$155,793	EdTech	Medium	12.0	\$80,800	54.0	\$79,000
New Markets Education Partners, LP	Fishtree, Inc. (moved to VA) 2211 S. Clark St., 12th Floor Arlington, VA 22202	\$1,841,430			EdTech	Small	-	-	-	-
New Markets Education Partners, LP	Regent Education, Inc. 340 East Patrick St., Suite 201 Frederick, MD 21701	\$2,808,908			EdTech	Small	7.0	\$108,857	35.0	\$113,320
New Markets Education Partners, LP	StraighterLine, Inc. 1201 S. Sharp St., Suite 110 Baltimore, MD 21230	\$147,915			EdTech	Medium	45.0	\$83,977	43.0	\$94,476
New Markets Education Partners, LP	Three Ring (out of business) 1111 Light St., 4th Floor Baltimore, MD 21230	\$548,501			N/A	N/A	-	-	-	-
New Markets Education Partners, LP	Moodlerooms (sold to Blackboard in '12) 190 W Ostend St., Suite 100 Baltimore, MD 21230	\$211,156			N/A	N/A	-	-	-	-

Venture Firm	Qualified Business	Investment Amount	Aggregate Fair Market Value 6/30/17	Qualified Distributions 6/30/17	Industry Sector	Size of Business	New Jobs Created in MD	Average Wage	Jobs Retained in MD	Average Wage
Flare Capital Partners Fund IV, LP	N/A	N/A	N/A	\$249,715	N/A	N/A	-	-	-	-
Grotech Ventures II, LP	Optoro, Inc. (moved to DC) 10001 G Street NW, Suite 1200 Washington, DC 20001	\$10,085,034	\$31,662,118	\$0	Software	Small	-	-	-	-
Grotech Ventures II, LP	Ryft, Inc. 7362 Calhoun Pl. Rockville, MD 20855	\$6,523,629			Computer Hardware	Small	12.0	\$145,450	30.0	\$145,450
Grotech Ventures II, LP	Healthcare Interactive, Inc. 3060 Route 97, Suite 200 Glenwood, MD 21738	\$5,136,596			Digital Health	Small	-	-	21.0	\$86,269
Grotech Ventures III, LP	Yet Analytics, Inc. 201 E Baltimore St. Suite 630 Baltimore, MD 21202	\$400,000	\$400,000	\$0	Software	Small	2.0	\$72,000	7.0	\$72,000
Kinetic Ventures IX, LP	Staq, Inc. 8 Market Pl., Suite 403 Baltimore, MD 21202	\$1,335,715	\$2,825,507	\$0	Software	Small	6.0	\$119,833	12.0	\$99,417
Kinetic Ventures IX, LP	Weather Analytics, Inc. (moved to DC) 1506 19th St. NW, Floor 3 Washington, DC 200036	\$436,852			Software	Small	-	-	-	-
New Atlantic Fund IV, LLC	Bambeco, Inc. 621 E. Pratt St. Suite 300 Baltimore, MD 21202	\$1,971,032	\$1,091,113	\$0	E-Commerce	Small	-	-	29.0	\$92,110
New Atlantic Fund IV, LLC	Dovetail Systems, Inc. (dba Gusto) 4330 East-West Highway, Suite 1120 Bethesda, MD 20814	\$866,867			Software	Small	2.0	\$79,952	26.0	\$79,952
Edison Partners VIII, LP	N/A	N/A	N/A	N/A	N/A	N/A	-	-	-	-
TOTAL		\$46,233,662	\$59,348,050	\$423,119			109.0	\$95,448	374.5	\$100,689

3. InvestMaryland – Maryland Small Business Development Financing Authority

Of the \$84,000,000 raised in the premium tax credit auction, \$6,867,500 of the InvestMaryland Program was allocated to the Maryland Small Business Development Financing Authority (MSBDFa) for direct investments.

Total capital received and invested by MSBDFa through 6/30/17 is as follows:

Capital Allocation	Capital Received 7/1/16 - 6/30/17	Total Capital Received	Total Capital Invested	Uninvested Capital (\$) 6/30/17	Uninvested Capital (%) 6/30/17
\$6,867,500	\$0	\$6,845,217	\$2,320,000	\$4,525,217	66.1%

For the period 7/1/16–6/30/17, MSBDFa directly invested a total of \$1,365,000 into three Qualified Businesses resulting in 24 new jobs created in Maryland with an average wage of \$55,958 and 7 jobs retained in Maryland with an average wage of \$67,286.

Qualified Business	Location	Industry Sector	Size of Business	Investment	Aggregate Fair Market Value	New Jobs Created in MD	Average Wage	Jobs Retained in MD	Average Wage
Teleport Enterprises, Inc. dba Flye	Anne Arundel	IT/Software	Small	\$500,000	\$1,365,000	12	\$50,000	3	\$50,000
N & C, Inc. dba Notice & Comment	Baltimore City	IT/Software	Small	\$265,000		6	\$73,833	3	\$75,000
OGOS Energy, LLC	Anne Arundel	Energy	Small	\$600,000		6	\$50,000	1	\$96,000
TOTAL				\$1,365,000	\$1,365,000	24	\$55,958	7	\$67,286

Below is a full program history of MSBDFA's Program investments through 6/30/17.

Qualified Business	FY 2012 Investment	FY 2013 Investment	FY 2014 Investment	FY 2015 Investment	FY 2016 Investment	FY 2017 Investment	Total Investment	Aggregate Fair Market Value 6/30/17
Integrata, Inc.	-	-	-	\$150,000	-	-	\$150,000	\$1,970,000
MainStreet Technologies, Inc.	-	-	\$200,000	-	\$55,000	-	\$255,000	
Text Behind, LLC	-	-	\$200,000	-	-	-	\$200,000	
OGOS Energy, LLC	-	-	\$350,000	-	-	\$600,000	\$950,000	
Teleport Enterprises, Inc. dba Flye	-	-	-	-	-	\$500,000	\$500,000	
N & C, Inc. dba Notice & Comment	-	-	-	-	-	\$265,000	\$265,000	
TOTAL	\$0	\$0	\$750,000	\$150,000	\$55,000	\$1,365,000	\$2,320,000	\$1,970,000

4. InvestMaryland – Maryland Venture Fund

In addition to implementing the private venture capital fund allocation of the Program, MVF was also engaged to carry out the InvestMaryland Program’s direct investment allocation. Of the \$84,000,000 raised in the premium tax credit auction, \$20,602,500 was allotted for direct investments by MVF in Qualified Businesses in Maryland. The capital received by MVF as of 6/30/17 is as follows:

Capital Allocation	Capital Received 7/1/16 - 6/30/17	Total Capital Received	Total Capital Invested	Uninvested Capital (\$) 6/30/17	Uninvested Capital (%) 6/30/17
\$20,602,500	\$0	\$20,602,500	\$20,131,425	\$471,075	2.3%

For the period 7/1/16–6/30/17, MVF directly invested a total of \$3,914,037 into five Qualified Businesses resulting in 20 new jobs created in Maryland with an average wage of \$98,620, and 158 jobs retained in Maryland with an average wage of \$102,459.

Qualified Business	Location	Industry Sector	Size of Business	Investment	Aggregate Fair Market Value	New Jobs Created in MD	Average Wage	Jobs Retained in MD	Average Wage
Unbound Concepts, LLC*	Baltimore City County	EdTech	Small	\$100,000	\$3,782,010	-	-	1	\$40,000
HClactive, Inc.	Howard County	Healthcare IT	Small	\$64,054		-	-	11	\$104,000
Aledade, Inc.	Montgomery County	Healthcare IT	Medium	\$1,500,001		16	\$86,088	61	\$114,193
Optoro, Inc.**	Prince George's County	Software	Medium	\$1,499,984		-	-	64	\$78,918
Fugue, Inc. (fka Luminal)	Frederick County	Software	Small	\$749,999		2	\$99,250	20	\$147,225
TOTAL				\$3,914,037	\$3,782,010	18	\$87,550	157	\$102,835

*This investment was the 2nd tranche of a pre-TEDCO commitment made in 2015. Company has since been acquired and exited from the portfolio.

** Company moved its offices to Washington, DC in the fiscal year. Job count represents employees residing in MD.

The final table represents a full history of MVF's current portfolio which includes investments from InvestMaryland, SSBCI, and the Legacy/Enterprise programs as of 6/30/17:

Company	Initial Investment Date	Total Investment	Aggregate Fair Market Value 6/30/17
20/20 GeneSystems, Inc.	3/1/02	\$ 200,000	
3CLogic, Inc.	4/1/06	\$ 1,140,000	
410 Labs, Inc.	7/1/11	\$ 49,998	
6th Street, Inc.	12/1/13	\$ 550,000	
A&G Pharmaceuticals, Inc.	2/1/04	\$ 657,000	
Advanced BioNutrition Corp.	10/1/01	\$ 600,002	
Aemetis, Inc.	7/1/08	\$ 150,000	
Akonni Biosystems, Inc.	8/1/06	\$ 1,055,524	
Alba Therapeutics, Inc. - Milestone	3/17/06	\$ -	
Aledade, Inc.	12/13/16	\$ 1,500,001	
Authntk (fka Informous, Inc., Three Stage Media, BD Metrics)	6/1/04	\$ 640,722	
Bambeco, Inc.	5/1/11	\$ 2,400,020	
BioDatomics, LLC	2/1/14	\$ 124,997	
BioFactura, Inc.	9/13/06	\$ 100,000	
Blue Pillar, Inc.	2/1/15	\$ 500,000	
BrainScope Company, Inc.	11/1/11	\$ 1,715,000	
Cellphire, Inc.	4/1/14	\$ 540,000	
CES Acquisition Corp.	4/1/13	\$ 547,046	
CytImmune Sciences, Inc.	10/1/96	\$ 800,000	
Encore Path, Inc.	10/24/07	\$ 150,000	
Everseat, Inc.	12/1/15	\$ 200,000	
Exogenesis, Inc. - Inflection Point Ventures	4/1/16	\$ -	
Fugue, Inc. (fka Luminal)	8/1/13	\$ 2,550,938	
Geostellar, Inc.	8/1/10	\$ 100,000	
Gold Lasso, Inc.	8/1/10	\$ 124,869	
Graybug Vision, Inc.	9/1/13	\$ 1,111,429	
Groupon, Inc. (fka Living Social) - Inflection Point Ventures	12/30/15	\$ -	
Groupsite.com (fka CollectiveX, Inc., Groupsite.com)	8/7/08	\$ 100,000	
Harpoon Medical, Inc.	8/1/14	\$ 750,000	
HClactive, Inc.	5/6/16	\$ 1,638,970	
InstantLabs Medical Diagnostics Corp.	7/1/12	\$ 150,000	
Intelligov Software, Inc.	5/6/08	\$ 50,000	
Koolspan, Inc.	6/1/03	\$ 700,000	
Link Labs, Inc.	8/1/15	\$ 500,000	
Maxcyte, Inc.	2/1/02	\$ 661,398	
Maxtena, Inc.	10/1/12	\$ 1,523,288	
Microbilt Corp (fka PRBC)	4/30/07	\$ 250,000	
Mobile System 7, Inc. - Holdback	4/1/14	\$ -	
Motionsoft, Inc.	8/1/14	\$ 599,998	
NeuroNascent, Inc.	12/1/07	\$ 100,000	
New Edge Labs, Inc.	5/1/17	\$ 300,000	
Oculus Labs, Inc. (acquired by Optio Labs, Inc.)	3/1/09	\$ 100,000	
Onevest, Corp. (fka Cofounders Lab)	6/20/14	\$ 75,000	
Optoro, Inc.	8/1/10	\$ 1,929,590	

Company	Initial Investment Date	Total Investment	Aggregate Fair Market Value 6/30/17
Pathsensors, Inc.	11/1/10	\$ 300,000	
Perceptive Navigation, LLC	7/6/15	\$ 225,000	
Pervacio, Inc.	3/1/10	\$ -	
Pixelligent, Inc.	5/1/11	\$ 150,000	
Pulse8, Inc.	12/1/13	\$ 295,000	
Salsa Labs, Inc.	4/1/14	\$ 1,500,000	
Sensics, Inc.	6/1/06	\$ 200,000	
Sequella, Inc.	4/11/02	\$ 299,999	
Sirnaomics, Inc.	10/1/07	\$ 100,000	
Social Toaster, Inc.	7/1/13	\$ 400,000	
StayNTouch, Inc.	6/2/17	\$ 500,000	
Synapsify, Inc.	7/1/14	\$ 195,000	
Tales2Go, Inc.	1/1/14	\$ 450,000	
Tendyne Holdings, Inc. - Holdback	12/23/09	\$ -	
Theranostics Health, Inc. (acquired by Avant Diagnostics)	5/1/11	\$ 400,000	
TopBox, LLC	2/26/16	\$ 800,000	
Triumfant, Inc. - Holdback	6/27/14	\$ -	
True Citrus Co. (Grand Brands, Inc.)	7/7/05	\$ 600,000	
TRX Systems, Inc.	11/1/08	\$ 250,000	
Unbound Concepts, LLC	9/1/15	\$ 250,000	
Vapotherm, Inc.	1/1/01	\$ 755,289	
Vorbeck Materials Corp.	9/1/07	\$ 490,000	
Weather Analytics, LLC	8/1/13	\$ 500,000	
Zenoss, Inc.	6/1/06	\$ 725,156	
ZeroChroma, LLC	11/1/12	\$ 499,086	
Zeuss, Inc.	8/1/13	\$ 500,000	
TOTAL		\$ 37,320,320	\$ 29,860,119