



**TESTIMONY PRESENTED TO THE  
HOUSE WAYS AND MEANS COMMITTEE**

**HOUSE BILL 987 – ECONOMIC DEVELOPMENT –  
COMPREHENSIVE TECHNICAL ASSISTANCE PROGRAM -  
ESTABLISHMENT**

**POSITION: SUPPORT**

**FEBRUARY 18, 2021**

The Maryland Technology Development Corporation (TEDCO) is dedicated to economic growth through the fostering of an inclusive entrepreneurial and innovation ecosystem. TEDCO discovers, invests in, and helps build great, Maryland-based, technology companies.

TEDCO aims to provide the resources, expertise, and guidance to lead Maryland entrepreneurs to opportunities in the capital markets. House Bill 987 will enable TEDCO to broaden our technical assistance efforts by creating a comprehensive, end-to-end advisory support program to prepare entrepreneurs for the next stage of growth and by better preparing entrepreneurs to attract capital.

First time entrepreneurs are often ill-prepared for some of the challenges that face early-stage companies such as customer discovery, business modeling, pitch deck development, securing intellectual property, building teams, or investor readiness. A recent study by the Congressional Research Service found that participants in technical assistance programs provided by the U.S. Small Business Administration improved their management practices or strategies. The study showed that these programs assisted small businesses at all stages of development and participants reported that the technical assistance was useful in company growth.

House Bill 987 will equip TEDCO with the tools necessary to expand our portfolio of technical assistance programs. For example, TEDCO's "Prelude Pitch" is a program designed to hone entrepreneur pitches to be investor ready. TEDCO also partners with a series of Network Advisors that have current, relevant experience in one or more of specific areas. This curated set of Network Advisors brings its broad and diversified depth of experience to bear on the unique needs of Maryland's start-up companies at no cost to the entrepreneur. TEDCO also offers the SBIR Proposal Lab. Participants in the lab have twice the average award rate for the SBIR/STTR federal grants.

A comprehensive system of assistance as authorized by the bill would complement the continuum of TEDCO funding programs by providing a corresponding continuum of advisory support to better prepare firms to access capital resources. House Bill 987 would provide the resources so that TEDCO can assist firms to understand their short- and long-term capital needs and how to best access those sources. The program would provide flexible and customized services, including virtual and in-person events. TEDCO would be the one-stop-shop for tech-based entrepreneurs for early-stage funding programs and for programs that are focused on the one-on-one attention that is craved by entrepreneurs and the most effective way to assist companies. Graduates from TEDCO technical assistance programs will be better positioned to attract all sources of capital, including equity, debt and SBIR funding, and will present better investment opportunities for TEDCO's investment funds. As the number of well-positioned early-stage companies grow, more early-stage capital sources will be attracted to Maryland.

It is for these reasons that TEDCO urges a favorable report on House Bill 987.