



February 11, 2020

The Honorable Anne R Kaiser Chairwoman  
House Ways and Means Committee  
Maryland House

**Re: HB 565: Income Tax – Business and Economic Development Tax Credits - Termination**

Dear Chairwoman Kaiser and Committee Members:

On behalf of my company, Creatv MicroTech, Inc., I am strongly against the bill House Bill 565: Income Tax – Business and Economic Development Tax Credits – Termination. The business and economic development tax credits listed in the bill are very important to grow the economy in Maryland. Their termination would do great harm to the Maryland economy in the short and long term.

Creatv MicroTech developed LifeTrac blood tests that are applicable for (i) cancer screening for all solid tumors, (ii) companion diagnostics to determine therapy not requiring tissue biopsy, (iii) predict treatment response earlier than imaging, (iv) determining if there is residual disease at the end of treatment and (v) early detection of cancer recurrence. LifeTrac test can detect solid tumors in stage 1, and can test for a single cancer or many cancers at the same time, such as breast, prostate, lung, pancreatic, colorectal, and many others. LifeTrac application to predict treatment response is applicable to all types of therapies and for all types of solid tumors. Our product is the convergence of our two specialties: microfabrication and a cancer associated cell we discovered in blood.

The time table for medical diagnostics requires a long time table and large number of patients to obtain statistically valid data. For example, we are planning to apply for FDA approval for the LifeTrac assay to predict lung cancer patient's response to immunotherapy within in 30-60 day after start of immunotherapy. Immunotherapy benefits about 25% of the patients. The initial concept took four years. It took approximately one year to recruit enough patients. The immunotherapy treatment for each patient is for one year. Statistical analysis about response require 24 months follow-up. This is an expensive four year process to gather enough data to enable us just to talk FDA to design a clinical trial. Why is this important? The reason is immunotherapy cost about \$150K - \$300K per year. If the patient is not responding, the patient should not suffer the side effects. The patient and the insurance company should not have to pay for the drug. The oncologist can proceed to alternative therapies that might benefit the patient.

We are able to accomplish this unmatched capability because the Biotechnology Investment Incentive Tax Credit (BIITC) program. It is not possible to raise money from NIH, NSF or venture capitals without data. We were able to raise money from angels through the BIITC Program. This enabled us to develop the assay and obtain clinical data. Now we are funded by NIH for breast cancer screening, DoD for lung cancer screening, NIH for determining when high PSA patients

develop aggressive prostate cancer, and NIH SBIR for monitoring immunotherapy for lung cancer. We will be able to enter the cancer screening market when we finish our cancer screening programs. Now we are on our way to raise series A venture capital and apply for first FDA approval.

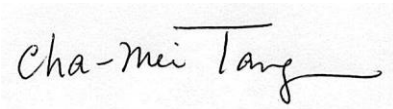
The long term impact of LifeTrac for the Maryland economy will be very significant, because the market potential is expected to be tens of billions of dollars per year as we achieve FDA approvals. This is all enabled by the BIITC Program. We are one among many Maryland drug and diagnostic companies benefitted from the BIITC that can significantly improve the Maryland economy in the future.

Termination of the BIITC program will result in stagnation of the Maryland biotechnology economy in the long term, and decreasing the tax base.

Biotechnology startup enables innovative therapy and diagnostics that can improve treatments and enable people everywhere to live a better and longer life. The termination of BIITC program will significantly reduce innovative startups.

For these reasons, I am strongly against the bill HB 565 and encourage your support of the Maryland biotechnology industry.

Sincerely,

A handwritten signature in black ink that reads "Cha-Mei Tang". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Cha-Mei Tang, Sc.D.  
President and CEO  
Creatv MicroTech, Inc.  
9900 Belward Campus Drive, Suite 330  
Rockville, MD 20850  
(office) (301) 983-1650  
(cell) 240-441-3311  
e-mail: [cmtang@creatvmicrotech.com](mailto:cmtang@creatvmicrotech.com)  
[www.creatvBIO.com](http://www.creatvBIO.com)