



Serving Maryland's Eastern Shore and Rural Delmarva Peninsula

March 3, 2026

TESTIMONY IN SUPPORT OF SB763

Maryland Growth Initiative

Submitted to the Maryland Senate Finance Committee

On behalf of the Eastern Shore Entrepreneurship Center (ESEC)

Chair, Vice Chair, and Members of the Finance Committee:

My name is Mike Thielke, and I serve as Executive Director of the Eastern Shore Entrepreneurship Center (ESEC) in Easton, Maryland. On behalf of ESEC and the entrepreneurs, startups, university partners, and innovation stakeholders we work with across Maryland — particularly on the Eastern Shore — I respectfully submit this testimony in strong support of SB763, the Maryland Growth Initiative.

Why the Maryland Growth Initiative Is Essential

Maryland has one of the most research-intensive economies in the country. We benefit from:

- World-class research universities
- Federal laboratories
- Highly skilled researchers
- Strong intellectual property output

However, Maryland consistently struggles to translate that research strength into high-growth, venture-backed companies that scale and remain in-state.

The Maryland Growth Initiative (MGI) directly addresses this commercialization gap by:

- Providing early-stage funding to university-affiliated startups
- Supporting technology transfer and proof-of-concept development
- Encouraging entrepreneurship among faculty, graduate students, and researchers
- Helping retain high-potential companies within Maryland

MGI is one of the most effective tools Maryland has to convert research into companies — and companies into jobs.

Why MGI Matters for Rural and Regional Institutions

While much of Maryland's innovation ecosystem is concentrated along the I-270 corridor, MGI plays an especially critical role for regional institutions, including those on the Eastern Shore.

Through our work at ESEC and our F3 Tech initiative, we are actively working to:

- Encourage use-inspired research

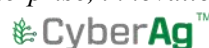
Solving regional problems through the attraction of enterprise, innovation, technology, and partnerships



hotdesks.org



f3tech.org



cyberag.org



caic.org

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- Support commercialization pathways
- Train faculty and graduate students in innovation readiness
- Connect startups to scale-up infrastructure

Institutions like Salisbury University and other regional campuses are rich in talent and ideas but often lack proximity to venture capital networks and commercialization infrastructure.

MGI levels the playing field.

It ensures that promising innovations emerging from all Maryland campuses — not just those in established venture hubs — have access to early capital and structured commercialization support.

For rural regions, that access can be the difference between:

- A startup relocating out-of-state
- Or becoming an anchor employer in its home community

Strengthening Maryland's Innovation-to-Industry Pipeline

The Maryland Growth Initiative is a critical upstream component of Maryland's broader economic strategy.

Innovation ecosystems succeed when they have a complete pipeline:

1. Research & Discovery
2. Proof-of-Concept Funding
3. Startup Formation
4. Early-Stage Capital
5. Scale-Up & Manufacturing
6. Workforce Development

MGI plays a central role at Stages 2 and 3 — where many innovations stall due to lack of funding, mentorship, and commercialization expertise.

Without programs like MGI:

- Faculty inventions remain in journals instead of the marketplace
- Graduate students leave Maryland to start companies elsewhere
- Intellectual property is licensed to out-of-state firms
- Maryland loses long-term economic value

MGI helps ensure that Maryland intellectual capital becomes Maryland economic capital.

Economic and Workforce Impact

Startups emerging from university ecosystems:

- Create high-paying technical jobs
- Attract venture investment

- License and develop local IP
- Partner with in-state manufacturers
- Strengthen regional industry clusters

For the Eastern Shore, this is especially important as we work to expand plant- and animal-cell technologies, agricultural biotechnology, and industrial biomanufacturing. These sectors represent a major expansion of Maryland's agricultural economy and provide pathways for rural innovation.

MGI-supported startups can feed directly into advanced manufacturing initiatives, supply chain expansion, and regional commercialization infrastructure.

In short, MGI does not just support startups — it supports entire innovation ecosystems.

A Proven and Strategic Investment

MGI has demonstrated that modest, well-structured early-stage investments can:

- De-risk technologies
- Increase follow-on funding
- Accelerate company formation
- Strengthen university-industry collaboration
- Enhance Maryland's national competitiveness

These are high-leverage dollars.

They are not subsidies — they are catalysts.

In a competitive national environment where other states aggressively invest in commercialization, Maryland cannot afford to weaken one of its most effective innovation tools.

Conclusion

SB763 reinforces Maryland's position as a leading innovation state — not just in research, but in company creation and economic growth.

The Maryland Growth Initiative:

- Supports entrepreneurs
- Empowers universities
- Strengthens regional equity
- Retains intellectual property
- Drives job creation
- Builds long-term economic resilience

On behalf of the Eastern Shore Entrepreneurship Center and the entrepreneurs we serve across Maryland, I respectfully urge the Finance Committee to issue a favorable report on SB763.

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Thank you for your consideration and continued leadership in strengthening Maryland's innovation economy.

Respectfully,

A handwritten signature in black ink, appearing to read "M. Thielke", written in a cursive style.

Michael Thielke
Executive Director