

Univ. of MD incubator program selectively chooses promising ventures.

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Byline: Christianna McCausland

When the Technology Advancement Program (TAP) at the University of Maryland, College Park admitted its first company in May 1985, most people still thought an incubator referred to a machine found in a prenatal care unit.

TAP did nurture fragile, young lives those of early-stage technology firms. Now, almost 20 years later, 48 companies have graduated from the program, including two of the area's most celebrated biotech firms, Martek Biosciences Corp. and Digene Corp., as well as the Internet powerhouse Powerize.com.

"Our incubator is on campus, and the idea is to take on companies that have the promise for success, and by allowing them to occupy space and take advantage of the campus environment, they can gain strength so that when they leave the incubator in one to four years, they're very strong and can be commercial successes," according to Dr. David Barbe, executive director of the Maryland Technology Enterprise Institute. TAP is one of six technology programs run by the institute.

Since it began as the first technology business incubator facility in Maryland, TAP's partnership between startup companies and university resources has proven to be a successful commodity. The program has created more than 1,000 jobs, and investment in TAP companies totals about \$778 million.

"When you look at startup companies, typically they get started in a garage or basement or some inexpensive warehouse somewhere," Barbe said. "So their environment is not supportive. Starting a company in an incubator that's on campus it's an overwhelmingly positive environment for companies to get started."

The program is selective, admitting only 64 companies out of 368 applicants in its history. But for those companies that make the grade, TAP provides irreplaceable resources such as flexible, furnished office and laboratory space, and in-house business development support.

Companies are at the epicenter of campus life and have access to faculty members, libraries, students and the Bioprocess Scale-up Facility. The recently renovated facility, begun at the same time as the incubator, helps companies scale up their processes to produce viable, commercial quantities.

Tenants and triumphs

AnthroTronix Inc., a TAP tenant from 1999 to 2003, is one of the program's success stories. The biomedical engineering research and development company is best known for its work on CosmoBot, a rehabilitative robotic toy for children with disabilities.

According to Corrina Lathan, AnthroTronix president, CEO and co-founder, TAP provided her company with flexible workspace as its needs changed. Access to university resources saved the company money on things such as software, and the University of Maryland's Institutional Review Board proved invaluable when AnthroTronix sought approval to conduct research on human subjects.

"It enabled us to hit the ground running when we started the company," Lathan said. "And I think going through the process to get into TAP gave us credibility when we went and spoke with potential investors or even grantors, which was very important as a young company."

TAP hosts up to 12 companies at a time. Current companies in residence include Chesapeake PERL Inc., a protein manufacturing company and recovery lab; DataStream Conversion Services LLC, which provides data conversion and management services and was named Maryland Incubator Company of the Year in the technology category by the Maryland Technology Development Corp.; and StreamCenter Inc., which produces and markets Web casts of professional conferences.

One company, BioSET Inc., relocated from the San Francisco Bay area to be close to Maryland's biotech core, entering TAP in 2002. The company develops synthetic peptides for the drug device combination markets. The company is still in the development stage and values the resources the incubator provides, particularly the lab facilities.

"The animal research facility being located here at the University of Maryland has been a nice addition for us because normally we'd have to contract out to for-profit labs versus university-based resources, and that's been a real boon for us," says BioSET's President Tom Roueche.

Companies aren't the only winners in this equation; the university receives 1 percent equity per year from each company.

TAP "certainly has an economic development dimension to it," Barbe said. "Universities are more and more being viewed as economic engines for the state in which they reside, so the incubator is one of many ways for the university to contribute to the economic development of the state."