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**FOR IMMEDIATE RELEASE**

## **Three Maryland Startups and Two University Researchers Receive \$325,000 Total from TEDCO**

*Foligo Therapeutics is the first UMBC ACTiVATE graduate to receive MTTF funding*

**COLUMBIA, Md. (Nov. 2, 2006) – The Maryland Technology Development Corporation (TEDCO)** announced today that three early stage technology companies have received \$225,000 total in funding through TEDCO's Maryland Technology Transfer Fund (MTTF) and two university researchers have received \$100,000 total from the organization's University Technology Development Fund (UTDF).

MTTF funds help technology startups work with universities and federal laboratories to further their research and develop their technologies. One of the three recipients, Foligo Therapeutics, Inc., is also the first graduate of UMBC's ACTiVATE program to receive MTTF funding. ACTiVATE is a year-long program that helps women with significant technical or business experience become entrepreneurs by creating startup companies from inventions developed in Maryland research institutions and federal agencies.

The total funding available in the MTTF program increased to \$2.25 million for FY '07. As of Sept. 30, 2006, 62 MTTF projects have been completed and these companies have leveraged \$117.6 million in downstream funding from federal agencies, venture capitalists, angel investors and other sources – a leverage of \$35.44 per state dollar invested. The three companies that received MTTF funding are:

- ChromoTrax, Inc., located in Frederick and employing three people, is a biomedical research and development company dedicated to developing innovative technologies and products to improve diagnosis and treatment of patients suffering from genetic-based diseases including cancers. The company has developed advanced Hybridization-In-Suspension methodology, a new patented technique in which DNA probes are hybridized in solution and the results are scored by flow cytometry rather than manually. This new method improves sensitivity rates 100 times more than current market standards and also allows automation, reducing the cost of testing and increasing throughput and turnaround, thus enabling detection far earlier than conventional techniques for cancer post therapy monitoring. The company is working with the National Institutes of Health, National Cancer Institute.
- Foligo Therapeutics, Inc., located in Rockville and employing one person, will further develop its proprietary technology that is designed to inhibit the protein production of a cancer-promoting gene called the folate receptor. It uses an "antisense oligonucleotide," a small piece of DNA engineered to "turn off" the cell's production of a specific disease gene. The company is working with the National Institutes of Health.
- Zylacta Corporation, located in Boyds and employing three people, will use specific endolysins to produce pure, homogeneous muramyl peptides. The endolysins will be produced using a proprietary approach to genetic analysis and recombinant technology developed by Zylacta's founders. Several peptidoglycan sequences have been patented by Zylacta and determined to have profound anti-apoptotic activity and antioxidant effects. These compounds were demonstrated to have potential in reducing inflammatory hepatic injury and fibrosis associated with Hepatitis C. The company is working with the University of Maryland Biotechnology Institute.

"TEDCO understands how significant it is for technology startups and university researchers to gain access to vital early stage, seed funding and business assistance that provides them the opportunity to grow and thrive," said Renée Winsky, interim executive director at TEDCO. "It is also critical to the growth of Maryland's technology community that young companies and new entrepreneurs receive this support."

The UTDF program helps researchers test the feasibility of their new inventions, develop prototypes, conduct proof of principle research and expand the scope of patent coverage in order to transfer technologies into commercial projects. As of Sept 30, 2006, 52 UTDF projects have been completed and 17 have licensed their technologies to private companies – 12 of which are located in Maryland. Of these licensees, nine were startup companies in Maryland and seven received follow-on funding through the MTTF program. The two researchers to receive funding are:

- Stephen Freeland, Ph.D., assistant professor of biology at UMBC, and his colleagues are developing a software system that would create a web-based system suitable for a defined group of people to undertake distributed discussion of documents or photos unimpeded by physical location or synchrony.
- Sheryl Ehrman, Ph.D., associate professor of chemical and biomolecular engineering at the University of Maryland College Park, is working on the anode materials of a potentially more efficient power generator of energy, solid oxide fuel cells. She is using flame spray pyrolysis to produce uniform porous crystals in a one step process.

“Encouraging and supporting growth of start-up companies is important to UMBC and an essential part of ACTiVATE,” said Freeman Hrabowski, president of UMBC. “We congratulate Foligo Therapeutics, and Dr. Freeland and his colleagues on their success.”

Applications for MTTF funding are accepted continually and reviewed monthly by representatives from TEDCO, the Maryland Department of Business and Economic Development (DBED), Johnson & Johnson Corporate Office of Science and Technology, and affiliated venture capital groups. Applicants must submit a proposal, a commercialization plan for the technology to be developed, a scope of work and a budget. Complete information about the MTTF program can be found at <http://www.marylandtedco.com/tedcoprograms/mttf.cfm>.

Applications for UTDF funding are accepted continually and reviewed monthly by representatives from TEDCO, DBED, the University of Maryland College Park’s Robert H. Smith School of Business and MMG Ventures. Applicants must submit a proposal, a commercialization plan for the technology to be developed, a scope of work and a budget. Complete information about the program can be found at <http://www.marylandtedco.com/tedcoprograms/utdf.cfm>.

Applicants can submit proposals for MTTF, UTDF and other TEDCO programs at [www.tedcofunds.org](http://www.tedcofunds.org).

**Funding Briefings:** TEDCO hosts a series of funding briefings to teach companies how to use TEDCO’s capital programs to help transfer technology from Maryland universities and federal laboratories to the marketplace. The next session will take place at TEDCO’s office in Columbia and the Maryland Technology Development Center in Rockville from 12 p.m. – 2 p.m. on Nov. 3, 2006. To register, send an email to [info@marylandtedco.org](mailto:info@marylandtedco.org) and put “Funding Briefing Registration” in the subject line. Please be sure to indicate the date and location you would like to attend.

**The Maryland Technology Development Corporation (TEDCO)**, an independent entity, was established by the Maryland General Assembly in 1998 to facilitate the creation of businesses and foster their growth in all regions of the State. TEDCO’s role is to be Maryland’s leading source of funding for seed capital and entrepreneurial business assistance for technology transfer and development programs. TEDCO connects emerging technology companies with federal laboratories, research universities, business incubators and specialized technical assistance. For the third consecutive year, TEDCO was recognized as the most active early/seed stage investor in the nation in the July 2006 issue of Entrepreneur Magazine. For more information on TEDCO and its programs and resources, visit [www.MarylandTEDCO.org](http://www.MarylandTEDCO.org).

**The University of Maryland Baltimore County (UMBC)** is a mid-sized, public research university offering bachelor’s degrees, master’s degrees and doctorates in the arts, humanities, social sciences, sciences and engineering. There are approximately 9400 undergraduates and 2,200 graduate students and 74 percent of freshmen live on campus. An Honors University, UMBC attracts top undergraduate students of all backgrounds, offering special learning opportunities traditionally found at small liberal arts colleges. Growth in research funding places UMBC among the most rapidly developing research universities. The campus stands out in achieving both excellence and diversity, crossing disciplinary boundaries to create new learning opportunities and fostering collaborations with business and government. Just 15 minutes from downtown Baltimore and five minutes from BWI-Thurgood Marshall Airport, UMBC takes advantage of its prime location on the Baltimore-Washington corridor to forge links with government, business and industry.