



January 12, 2024

The Honorable Chip Curry, Chair
The Honorable Tiffany Roberts, Chair
Members of the Innovation, Development, Economic
Advancement & Business Committee
100 State House Station
Augusta, ME 04333

Dear Senator Curry, Representative Roberts, and Members of the Committee:

As you know, the Maine Legislature passed a Resolution ([LD 1318](#)) last spring asking MTI to examine the state's [seven targeted technology sectors](#) to assess their continued relevancy.

This past summer, MTI engaged with Camoin Associates, an economic development consulting firm, to assess the existing industry sectors by analyzing past, present, and projected trends. Camoin completed a report on the current sectors, found [here](#), that was used as a baseline assessment for the larger evaluation of the sectors.

Public input was an essential part of the sector review process so MTI and Camoin conducted four public forums in November to solicit feedback from all interested parties, stakeholders, partners, entrepreneurs, and technologists. Each virtual forum was approximately two hours in duration and included an introduction to the work and process, an overview of the clusters, digital engagement activity, and opportunity for public input. The forums were well attended, and the feedback and input received was extensive and valuable.

To spread the net more widely to encourage additional comments from the public, MTI and Camoin also used a survey tool to gather feedback from all those interested in providing it.

And, finally, there was also a nice body of literature that had been assembled over the past decade regarding the emerging industry clusters and sectors that highlighted opportunities for Maine to grow and diversify its economy. All those reports were reviewed as part of the process, along with other relevant literature and data, to help Camoin compile its findings and develop recommendations.

The draft report is attached and, based on the key findings, Camoin suggested that MTI and the Maine Legislature may consider the following options regarding the best way to nurture future growth and innovation in the state. Each recommendation has associated impacts that are listed in the Recommendations Section of the report.

1. **Maintain the Status Quo** - MTI will continue to support the current seven technology sectors as they are worded: Biotechnology, Composites & Advanced Materials, Environmental Technologies, Forest Products & Agriculture, Information Technology,

Marine Technology & Aquaculture, and Precision Manufacturing. This approach continues the current system in place to fund businesses and innovative ideas without changing anything that MTI is currently doing.

2. **Adopt a Hybrid Approach** - MTI will continue to support the seven technology sectors using the current broad definitions and add Emerging Technologies as the eighth target sector. This approach includes maintaining MTI's current funding criteria but might add additional evaluation guidelines for an Emerging Technologies sector.
3. **Discontinue the Target Sectors Approach** - MTI will focus solely on supporting businesses and ideas that are innovative and have a technological component. This approach includes creating a new evaluation criteria framework for funding decision making.

Again, the draft report lists the advantages and disadvantages associated with each of the three recommendations. One thing that is not specifically mentioned in the report but that MTI views as a meaningful advantage of the current targeted technology sectors is that they are broad and inclusive and, importantly, not defined in statute. This lack of a strict statutory definition of the sectors has allowed MTI to evolve with the times and to be flexible in its interpretation to allow it to support the most cutting-edge innovations.

Given that the input and data compiled during the process seems to indicate that, indeed, the targeted technology sectors remain relevant today - - and given that MTI historically endeavors to be as flexible as possible in matching new, scalable innovations to one of the existing sectors - - the MTI Board is recommending that the Legislature maintain the status quo.

I would be delighted to present the report's findings, and MTI's recommendation, to the Committee at a date and time that fits your schedule. Thank you for your time and consideration and please do not hesitate to reach out to me with any questions or concerns.

Sincerely,



Brian Whitney
President

Attachment