

# Business Partnership Plan

April 4, 1997

Published by the Maryland State Government  
Geographic Information Coordinating Committee (MSGIC)  
Database and Resource Development Subcommittee

MSGIC 004 04/97

## Table of Contents

INTRODUCTION .....	2
AGENCY CONCERNS .....	2
BUSINESS CONCERNS .....	2
ISSUE RESOLUTION .....	4
Demonstration Disks .....	4
Approved Resellers .....	4
Product Costs, Packaging and Commission Schedules .....	5
License Agreements .....	6
Data Quality Issues and Government Agency Support .....	6
Use of Up-to-date Data .....	7
Value Added Products .....	7
Use of the Technology Toolbox Logo .....	7
Data Copyright .....	7
MANAGING THE INFORMATION TECHNOLOGY GRANT FUNDS .....	7
SALE TO OTHER ENTITIES .....	9
Appendix A .....	10
List of Participants Involved in Creating Business Partnership Plan and the Meeting Dates	10
Appendix B .....	11
Application Form Request to Become a Reseller of Technology Toolbox™ Data Products	11
Appendix C .....	12
Appendix D .....	12
Grant Application for Funding Data Acquisition Through Maryland's Technology Toolbox™ .....	12

## INTRODUCTION

Several agencies in the Executive Branch of Maryland State government have distributed geographic information system (GIS) data products through reseller agreements with private companies. With the advent of Governor Parris N. Glendening's Technology Toolbox™ initiative, the Maryland State Government Geographic Information Coordinating Committee (MSGIC) was directed to take the lead on coordinating these efforts into a uniform program. To accomplish this task, a series of three meetings were held to explain the "Toolbox" initiative to potential business partners, outline concerns of the government agencies and discuss issues important to the private sector. A list of participants and meeting dates can be found in Appendix A.

The Technology Toolbox™ initiative promotes improved access and coordinated distribution of State-produced GIS data products. It was discussed at the first meeting and is the subject of a separate plan. Therefore, it will not be described in this document. Instead, this paper presents the issues discussed at these meetings and provides clear guidelines that will lead to productive partnerships and coordinated data distribution to promote GIS use in Maryland.

## AGENCY CONCERNS

The following issues were identified by State government employees that were in attendance at the meeting.

- In many cases, State-produced data are not complete and only represent the universe of known features (e.g., archaeological sites).
- It is important to create distribution mechanisms that can keep the data current at users sites (e.g., approximately 500 new historic properties are added each year).
- Appropriate uses of the data must be the subject of training programs to educate the end users and prevent misinterpretation or unintentional abuse of the data (e.g., the Critical Area Boundary to be provided in the Toolbox is a planning line and not the official regulatory line).
- There are known errors and limitations in the data that are compensated for when used by the producing agency. In the hands of unknowing users the data may cause problems or misunderstandings.
- The agencies would like to develop feedback mechanisms from the users to locate problems or quality issues arising from the use of the data.
- Certain data products require strict license and copyright control to support data development costs that are in some cases significant and zero-base budgeted.
- All agencies have a goal of providing the data as inexpensively as possible.

## BUSINESS CONCERNS

The following issues were outlined by the business representatives that were in attendance at the meeting.

- Companies are currently providing "turnkey" GIS solutions for less than \$20,000 with many of the State data products. Integration of data products and hardware/software platforms should be the domain of the private sector.
- To date, the majority of sales have been to government agencies. Very few sales have been made in the private sector which still operates in the CAD environment. If Maryland offers deep discounts to

- There should not be differential pricing for public agencies and the private sector. Sales should be based on the actual cost of distribution and other factors applied. By offering differential pricing, the government agencies are keeping the best market to themselves.
- Government agencies should not sell their products below their listed price.
- There is a negative reaction to GIS in the private sector that is likely to continue for several years. GIS products are sold by decreasing the emphasis on GIS, selling them inexpensively and keeping things simple.
- Products will sell when people are convinced that they can do their job faster, better and cheaper.
- GIS users want the data layers to be definitive and accepted by the regulatory agencies. It does not do them any good to have a "planning" line in the GIS with the actual regulated feature being mapped on an obscure paper map series.
- Many government agencies ask private companies to sell their data for one or more of the following reasons:
  1. Agencies think they can make enough money to offset a significant part of their cost or pay for the operation.
  2. They want to reduce the drain on their own resources caused by data distribution.
  3. It provides a public service.
  4. The better the information provided to the public to do their work (site development, etc.) the higher the quality of the work that comes back for government review of permits, etc.
- The different approaches to the "Toolbox" are a little confusing.
- Access to the MERLIN System should be done through transaction-based queries with the user paying for connection time to the system.
- Industry has the same concern over currency, liability and updates that the government agencies have expressed. They want satisfied customers.
- The number of resellers needs to be controlled in some way with an assurance that they will provide quality services.
- How will the government agencies support the resellers with bug fixes and quality issues that are discovered? Are the resellers going to be on their own?
- Who will own value added products that are developed by the resellers?
- If we are going to do a demonstration CD ROM, it should be done now, because sales will lag several months behind the introduction of such a product.

- Consideration should be given to procedures that would prevent resellers from underbidding each other on the cost of the data, while concentrating instead on the unique services they can provide.

## **ISSUE RESOLUTION**

After outlining the above issues, the group developed the following consensus solutions to provide a framework for future actions. They have been enhanced to guide the participants as they move toward a public and private partnership.

### **Demonstration Disks**

The Department of Natural Resources has finished production of its MERLIN "Back Bays" demonstration disk that is principally designed for educational uses. After a brief review period, DNR will stamp three thousand disks for use in schools and as a marketing tool. This disk will allow anyone to understand the function of the MERLIN System. It can also be used as a tool to market the data layers in the "Toolbox."

The Office of Planning may develop a separate demonstration disk to run under a "scaled-down" version of ArcView that will also be included on the disk. In addition to the "on-board" software, it will work with a licensed version of ArcView (v. 2.0 or higher) that the user may possess. No time was determined for production of this disk.

In addition, resellers may develop their own unique demonstrations to support sales activities directed toward particular markets. Resellers will be solely responsible for any mis-representations and the accuracy of information provided in these demonstration systems.

### **Approved Resellers**

Resellers will be subject to an approval process to ensure (1) that reseller activities are coordinated, (2) that resellers will continue to engage in distribution of data and not simply take advantage of reseller agreements to have free use of data at their own site, and (3) to formalize procedures that will provide methods for distribution of updates and exchange of information between customers and government agencies.

To obtain and continue certification as an approved reseller, a vendor will comply with the following requirements:

- File an application (See Appendix B) with the Maryland State Government Geographic Information Coordinating Committee (MSGIC); and

if approved, they will;

- Enter into written agreements with the participating State government agencies; and
- Participate in two program development meetings per year, or one training program and one program development meeting per year; and
- Make sales of \$10,000 (list price according to Appendix C) in products from the "Toolbox" within each six-month period; and
- Provide appropriate State agencies with the name and address of customers for each data product to ensure that quality issues and updates can be addressed; and
- Pay appropriate royalties to State agencies for the data products that are distributed.

Upon application to MSGIC, potential resellers will be required to demonstrate their ability to market the data, provide appropriate services to install the data at customer sites, provide a basic level of training for customers, and offer customer support following the sale. Applications will be considered for approval at each meeting of the MSGIC Database and Resource Development Subcommittee.

If approved by MSGIC, a reseller will buy data from the appropriate State agencies at each agency's cost of reproduction. Resellers will use this data to fill customer orders only, and are prohibited from doing service work for customers using this data. Royalty payments will be due to the State agencies within 45 days of the last day of each quarter (March 31, June 30, September 30, and December 31).

Approval may be withdrawn if vendors do not comply with the above conditions and a satisfactory explanation is not provided. If the vendor is removed from the approved list of resellers, they will automatically forfeit their interest in the data and will be required to return the data.

### **Product Costs, Packaging and Commission Schedules**

Section 10-901 through 10-906, inclusive, of the State Government Article allows State agencies to establish and recover the cost of their spatial data products based on factors listed within the Article. It also requires that persons who are similarly situated shall be charged the same cost for any individual product. Therefore, State agencies are required to develop standard costs for their products. Most agencies have been distributing products using set fee schedules for several years.

The cost schedules and availability of each data product are listed in Appendix C. In order to promote the full range of data products available from State agencies, the working group decided that a discounted "bundle" or "package deal" would provide the most attractive offer. This package has been discounted (see prices in Appendix C) and includes the following data for each county:

1	CD ROM with MdProperty View
2-4	CD ROM's with Orthophoto Maps
1-2	CD ROM's with 7.5' Maps
3	CD ROM's with Vector Data from each agency referred to as the Technology Toolbox™ Disk

Participating government agencies will provide copies of the above CD ROM's with the data in the State Plane Coordinate System using the 1927 North American Datum in Units of Feet, except Montgomery County and Baltimore City for which the Datum and Units will be 1983/Feet and 1983/Meters respectively. Approved resellers may provide data to their customers on any appropriate media, using any file structure or coordinate system required by the customer. However, if resellers do not provide a copy of the CD ROM's, they should provide a backup tape or other mechanism for the customer to re-install data in the event that the customer's system becomes inoperable.

State agencies will receive a royalty payment from Resellers based on the fee schedules in Appendix C, using the following sliding scale:

100% for sales to State and Federal government agencies.

75% for sales to County and Municipal government agencies and Not-for-Profit Organizations.

50% for sales to Individuals and For-Profit Organizations

(The MdProperty View Resellers Agreement provides for a royalty payment of 50% for sales to individuals and for-profit organizations with two or more installations and 65% for sales to individuals and for-profit organizations with one installation.)

Approved resellers will be able to provide a more timely response to customer needs by maintaining data at their sites. In order for the resellers to be successful in their marketing efforts, the government agencies must charge their listed price for data products whenever they make a direct "sale." This does not preclude a State agency from providing data on a gratis basis, in trade for other data, or under other arrangements, as long as these transactions are consistent with Section 10-901 through 906, inclusive, of the State Government Article.

## **License Agreements**

Providing that they adhere to the requirements of the reseller agreement, approved resellers are authorized by the appropriate State agencies to transfer both perpetual and annual license agreements to their customers. All data in the Technology Toolbox™, except MdProperty View, is offered for sale with a perpetual license agreement. The MdProperty View data is only offered with an annual license agreement.

## **Data Quality Issues and Government Agency Support**

Version control and appropriate metadata will be essential elements of an adequate quality control program. With the exception of the USGS 7.5' Quadrangle Maps and DNR's Digital Orthophoto Quarter Quadrangle Maps, the data in the Technology Toolbox™ are not evaluated against a cartographic accuracy standard. The remaining data are typically adjusted to these or other base maps in an effort to ensure uniformity and accuracy. However, the daily use of these products will likely result in discovery of map accuracy errors as well as omission and commission errors. In addition, due to scale issues, use of multiple software platforms and practical limitations during data development, errors are contained in State-produced data.

Previously used manual cartographic techniques were able to account for discrepancies in disparate data while GIS technologies allow data from a large number of sources to be merged into one system, thereby clearly showing the discrepancies in data. To date, no single entity has had the responsibility for adjusting all data to a common base map. Therefore, observable errors exist in the Technology Toolbox™ data. Regardless of this fact, the data working in combination with each other have proven to be an invaluable asset to government agencies. Trained users have the ability to "filter out" or account for the discrepancies, and to use the data as a valid planning or site development tool.

Due to the acknowledgment of errors in State-produced data, problems with multiple software/hardware platforms, and considering the often unreasonable expectations of data consumers, MSGIC has adopted standard wording in license agreements to hold the State harmless for errors in data and any misuse of the data.

All participating State agencies are committed to disclosure of known errors in their metadata documentation forms and to improvement of their data on a scheduled basis. Errors that are brought to the attention of the custodial State agency may or may not be immediately corrected depending on the nature and scope, frequency of discovery, potential for compounding errors, and the impact of the error on users. Errors will be addressed in scheduled data revisions. Each agency will state its expected revision dates or frequency in the metadata documentation forms. Version numbers and dates will become part of the labeling for all products that are part of the Technology Toolbox™.

To facilitate the exchange of error information, the Department of Natural Resources will manage an E-mail "List Server" for all resellers, data producing agencies and customers. This system will provide "instant" notification to all subscribers of any problems with data and the response of the data producing agencies.

## Use of Up-to-date Data

Immediately after creating a new version of their data, participating State agencies will notify all resellers on the current approval list. State agencies will also advertise the data release through the list server. This mechanism helps to ensure that all customers are notified about data updates and that they have the opportunity to obtain them.

## Value Added Products

Resellers of the "Toolbox" data and their customers are likely to produce value added products based on the original data. The production of such data is encouraged to the extent that the producer's intent is to share the newly-produced data for reasonable fee or other arrangement. In general situations, the production of clearly different value added data is considered the property of the producer. However, that does not preclude any State agency or other customer from producing the same value added products, with or without the intent to distribute or sell them. This is especially true of straightforward error correction of existing State-produced data.

Persons or agencies creating value added products should contact MSGIC, so that information on their availability can be distributed to "Toolbox" users and advertised through MSGIC's GIS Resource Guide.

## Use of the Technology Toolbox Logo



The Technology Toolbox™ logo (shown left) is a copyrighted product of the Maryland State Government Geographic Information Coordinating Committee (MSGIC). All participating State government agencies and approved data resellers will use the Technology Toolbox logo in correspondence (except E-mail) related to marketing, data sales, training, and other activities related to the "Toolbox." All data products that are distributed by approved resellers and State agencies will carry the Technology Toolbox™ logo. No other persons are allowed to use the Technology Toolbox™ logo for any purpose without written permission of the Maryland State Government Geographic Information Coordinating Committee (MSGIC).

## Data Copyright

All State-produced digital data is copyrighted by the agency that created the data and maintains custodial control. No State employee or agent of the State should portray State-produced data as non-copyrighted. Agencies will determine and publish use restrictions for each data layer in the Technology Toolbox™.

## MANAGING THE INFORMATION TECHNOLOGY GRANT FUNDS

The Department of Natural Resources has applied for a \$213,000.00 grant from the Information Technology Fund to provide Technology Toolbox™ data and training to local government agencies and certain non-government organizations that will be directly involved in implementing the Governor's Neighborhood Conservation and Smart Growth Initiatives. The Maryland State Government Geographic Information Coordinating Committee (MSGIC) developed the following guidelines and grant application package. MSGIC will announce the program, receive and evaluate applications, and decide which organizations should be awarded a grant. Grants will be for a maximum of \$3,000 for County and City agencies, and \$9,000 for organizations with regional responsibilities.

**Guidelines** - All counties that apply for a grant will each be awarded one grant of up to \$3,000. Each of the four regional planning councils that operate in Maryland will be awarded grants of up to \$9,000. A maximum of twenty-one cities in Maryland will each be awarded one grant of up to \$3,000. A maximum of five non-government organizations that make commitments to implement the Governor's Neighborhood Conservation and Smart Growth initiatives will each be awarded one grant of up to \$9,000.

The grants will result in each of the approved organizations obtaining State-produced GIS data up to the maximum value of the grant. Funds will not be transferred directly to the grantees. If any funds remain after approval of the data grants, they will be used to sponsor training or workshops on the appropriate use of the data and other aspects of the Technology Toolbox. Training opportunities will be made equally available to all grantees.

Two grant periods will be provided in calendar year 1997. The following time line will be used for the first grant announcement if MSGIC is able to confirm fund approval immediately after the legislative session. The second grant period will close on November 28, 1997.

- 3/12/97: Final grant criteria and application form are approved
- 4/18/97: Grant announcement is mailed to potential grantees and advertised
- 5/9/97: First Grant Period applications due by close of business (5:00 p.m.)
- 5/14/97: Applications screened with a final decision on approval or denial
- 5/28/97: Governor announces approved grantees at TSU/GIS '97
- 6/13/97: Provide each grantee with a letter of commitment
- 7/1/97 - ?: Funds will be available after date of transfer to OP or DNR

The first period grant announcement and application form can be found in Appendix D. All grants received by the deadline will be acknowledged by FAX to the Principal Contact shown on the grant application.

MSGIC does not have a budget or authorization to hold or spend State funds. Therefore, grant funds will be disbursed through the Department of Natural Resources or Office of Planning using the following approach.

- A list of approved grantees will be generated by MSGIC. Those organizations, and all approved resellers will be notified by June 13, 1997, through a faxed memorandum. The organizations will be given a list of the currently approved resellers and the resellers will be given a contact list with the name, telephone number and address of each approved organization.
- Approved resellers may contact prospective grantees and offer their unique services to integrate the data and install it on the grantee's hardware/software platform.
- Grantees may elect to buy the data directly from State agencies in lieu of using the approved resellers. State agencies will not integrate the data for use on the grantees hardware/software platform except to the extent that the data will be provided in a consistent datum and projection. State agencies will sell their data to grantees at the price listed in Appendix C. Agencies will be reimbursed from grant funds according to the price schedule.
- Grantees may buy the data and services through approved resellers who may elect to discount the data. Resellers will offer important services to integrate data on various hardware/software platforms, provide services to convert datums and projections, or integrate additional data required by the grantee. Upon signing a contract with an approved grantee, resellers may invoice the Department of Natural Resources (or Office of Planning) after July 1, 1997, and obtain their commission for the data according to the approved fee schedule. The invoice will be processed and payment will be forwarded to the reseller.
- Upon approval of all grantees on May 14, 1997, the total obligation of grant funds for distribution of data will be calculated. The remaining funds will be used to provide training for all grantees. Training will include specific course work in the following areas:
  - **Limitations and Recommended Use of State Data** - (One Day) - State agencies providing data for the "Toolbox" will provide a one day training program to describe quality issues, omission and commission errors, and appropriate/inappropriate uses of their data. MSGIC will sponsor a workshop for this purpose. All approved grantees will be allowed to

- **Implementing the Governor's Smart Growth Initiatives Using the "Toolbox"** - (One Day) - MSGIC will direct the appropriate State agencies to develop a one day training program that instructs users of the "Toolbox" about applications that can benefit the various jurisdictions while implementing the Smart Growth Initiatives. All approved grantees will be allowed to send two persons to this workshop at no charge. Participation by other interested persons may also be allowed.

### **SALE TO OTHER ENTITIES**

All products in the Technology Toolbox™ are offered for general sale to any interested persons or other entities under the conditions set forth in the license agreements for each of the data products. Additional price schedules will be provided for customers with unique needs.

## Appendix A

### List of Participants Involved in Creating Business Partnership Plan and the Meeting Dates

NAME	AGENCY
Maureen Kavanagh	Department of Housing and Community Development
Rosemary Davis	State Highway Administration
Susan Titus	VARGIS, LLC
Greg Tilley	VARGIS, LLC
Monty Deel	3D Incorporated, LLC
Charles Case	3D Incorporated, LLC
Larry Newman	Spatial Systems Associates
Chris Barnard	Photo Science, Inc.
Larry Swift	CADDSCAN, Inc.
Duane Wilding	Maryland Environmental Service
Mike Lettre	Maryland Office of Planning
Dave Guignet	Department of the Environment
Ken Miller	Department of Natural Resources
Bill Burgess	Department of Natural Resources
Richard Bean	Department of Agriculture
MEETING DATES	
November 8, 1996	
December 19, 1996	
February 12, 1997	

## Appendix B

### Application Form Request to Become a Reseller of Technology Toolbox™ Data Products

Company Name:
Address:
Telephone:
FAX:
Principal Contact:
E-Mail Address:

Please attach a concise description of your company's capabilities to perform each of the following functions:

- market the data products in the Technology Toolbox™
- provide services to install data products on the customers hardware/software platforms
- market turn-key GIS solutions using Technology Toolbox™ data
- provide or arrange appropriate GIS training programs for customers
- maintain customer contact to provide for information exchange of news and update information

The above description of "your company" may include subcontractor services or other appropriate arrangements. Please limit your total response to no more than 5 pages.

By signing this application form, I certify that the information provided is correct and that this company will actively pursue marketing of Technology Toolbox™ data in accordance with the *Business Partnership Plan for the Technology Toolbox™*, dated April 4, 1997.

Signature:
(President or Principal Officer of Company)
Title:

## Appendix C

### [Cost Schedule for County Data Layers](#)

**NOTE:** This link leads to the current Cost Schedules, which may have changed since this document was originally published.

---

## Appendix D

### Grant Application for Funding Data Acquisition Through Maryland's Technology Toolbox™

**To the applicant:** Twenty-three grants to buy State-produced geographic information system (GIS) data will be awarded to county governments for up to \$3,000 each. Twenty-one grants will be awarded to city governments for up to \$3,000 each. Four grants of up to \$9,000 each will be awarded to regional planning councils and five grants for up to \$9,000 each will be awarded to non-government organizations that will assist with implementation of the Governor's Smart Growth and Neighborhood Conservation initiatives.

These grants require a 100 percent match by the applicants. The required match may be made by providing appropriate software, hardware or personnel time. You must complete this form and return it to the Maryland State Government Geographic Information Coordinating Committee to qualify for one of these grants. The certification must be signed by the President of the County Council or County Executive for County governments; Mayor or City Manager for Cities; or the President or Principal Official of a Regional Planning Council or Non-government Organization. **Non-government Organizations (NGO) must attach** a written description (no more than two pages that will be used for competitive evaluation) which describes how the NGO will be involved in implementation of the Governor's Neighborhood Conservation and Smart Growth initiatives. **City governments must attach** the following information to be used for competitive evaluation; size in square miles, population from the 1990 census, and approximate percentage of land with housing densities equal to, or greater than five houses per acre.

Distribution of grant funds will be made directly to State agencies and resellers that provide data to your organization. If you have already procured any portion of this data, you may elect to take a credit on the next subsequent version of that data at the prices quoted in the attachment.

Your application must be received by close of business (5:00 p.m.) on May 9, 1997, to be included in the first grant period. The final deadline is November 28, 1997. It should be mailed or FAXed to:

Geographic Information Services Division  
Chesapeake and Coastal Watershed Service  
Tawes State Office Building D-2  
580 Taylor Avenue  
Annapolis, Maryland 21401-2397

FAX Number:

410-974-2618

Telephone Number:

410-974-2721

Attention: William S. Burgess

You will be notified of the decision by June 13, 1997. Following that notification, approved resellers will be provided with a list of approved grantees and they will contact you directly. You may elect to procure the data

through a reseller, or directly from the individual State agencies. Resellers will have all of the required data and can provide a variety of services to integrate the data within your existing operations. You are encouraged to work with an approved reseller.

<b>ORGANIZATION</b>	
Department Name:	
Unit/Division Name:	
Address:	
City/Zip Code:	
Telephone Number:	
Facsimile Number:	
E-mail Account:	
Principle Contact:	
<b>MATCH FOR GRANT</b>	
The above organization will provide the following items to meet the match requirements of this grant:	
_____ New or _____ existing personal computer valued at	\$
_____ Software (please name: _____) valued at	\$
_____ Personnel/Staff time to operate the system valued at	\$
_____ Other: Please Describe:	\$
<b>AREA OF INTEREST</b>	
We wish to obtain data for the following county or counties...	
County or City Organizations: (List County of Choice)	
Regional Planning Councils and Non-government Organizations: (List up to three Counties)	
<b>CERTIFICATION</b>	
The above named organization will use these data products to support our implementation of Governor Glendening's Neighborhood Conservation and Smart Growth initiatives.	
Signed:	