



*Special Edition
Announcing the
MTAF Challenge*

Fall 2008

“News, research updates, and information on lobsters and the lobster industry.”

Published by the Lobster Institute

“Protecting and conserving the lobster resource, and enhancing lobstering as an industry...and a way of life.”

**ANNOUNCING A ONE-TIME ONLY \$5,000,000 OPPORTUNITY.
WE MUST ACT BY JANUARY 9, 2009**

What is the Lobster Institute’s one-time opportunity?

The MTA Challenge: an opportunity for a grant of \$5,000,000 from the Maine Technology Asset Fund (MTAF). The MTA grant program is offering one-time State of Maine bond funding for infrastructure to support research, development and commercialization efforts that will create and secure jobs. The Institute is partnering with the USDA and the University of Maine’s Animal & Veterinary Sciences Department, Aquatic Animal Health Lab, Aquaculture Institute and Cooperative Extension Service to submit a proposal for a new building on the University campus

that will house the Lobster Institute, a state-of-the-art aquatic animal diagnostic lab, as well as other research laboratories and offices. The University has already approved a site and building plans are in the works.

Heannsler Family Helps Meet the MTAF Challenge

The Maine Technology Assets Fund is offering grants up to \$5,000,000. The Lobster Institute and its partners have very competitive proposals for a new building to house the Institute and for state-of-the-art labs. However, we must have a dollar-for-dollar match. See Page 4 to learn what Basil & Harriet Heannsler are doing to help us meet the MTA Challenge, and to see what you can do too.

**We must document a
1:1 dollar match to
leverage the
\$5,000,000.**

What does the Lobster Institute Do?

Our mission is to protect, conserve, and enhance the vitality of the lobster resource, the lobster fishery, and the way of life it represents.

For over 20 years, the Lobster Institute has provided critical scientific research for the lobster industry in the areas of conservation and lobster health; led outreach efforts to mobilize industry leaders when needed to address industry-wide problems, and educated the public about lobster consumption and the viability of the lobster fishery. The Institute is recognized as the main source for lobster information and as a major channel for communication among harvesters, dealers, processors, scientists, and resource managers throughout the world.

How does the Lobster Institute help the industry?

We conduct applied research and develop products and processes to meet the needs and challenges of the lobster industry. Founded by industry members in 1987, the Institute is a collaborative effort between the

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A unit of the Maine Agricultural & Forest Experiment Station



A member of the University of Maine System

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Made possible through an endowed gift by Helene & Frank Crohn.

We can raise a portion of the match through in-kind University salary support; however, match from industry partners and the community will be looked upon extremely favorably by the grant review committee. **Naming opportunities will be available** for Institute offices, laboratories, wings of the building, and even the building and the Institute itself (see page 2). Gifts can be cash, appreciated stock, and/or property – and can be made outright or pledged over a period of 3-5 years.

The MTAF Challenge

-- cont. from page 1

University of Maine and the international lobster industry, from Long Island Sound to Newfoundland. The Lobster Institute has conducted more than 75 studies providing the industry with information on lobster health, stock enhancement, and other vital areas. We have developed technologies to help harvesters, dealers, and processors improve upon how they catch, ship, process and store lobsters. We have organized over 25 industry networking events such as the annual Canadian/U.S. Lobsterman's Town Meeting, bringing harvesters together from Nova Scotia to New York to share views on the status of the resource and the industry.

Why does the Lobster Institute need my support?

Gifts to the Lobster Institute's C.O.R.E. Campaign made or pledged by January 9, 2000 will be applied to the MTAF match requirement. Your gift will go to support Lobster Institute efforts on behalf of the lobster industry – and MTAF funding will be used for the new building and equipment costs. Your dollars will assure the MTAF review committee that valuable work will be conducted in this new building.

Currently, the Institute relies on grants and other catch-can funding sources. Consequently, it sometimes has to conduct its research in fits and starts. We need to change that. A \$4.8 million **C.O.R.E. Campaign** is in progress so that the Institute can:

- have a full-time director/lobster researcher
- employ two scientists, in the areas of lobster health and value-added product development
- secure its operations for the future.

A gift or pledge to the C.O.R.E. Campaign right now will help us leverage this \$5,000,000 opportunity!

More about the facilities:

Our goal is for the Lobster Institute, along with the newly formed Aquaculture Institute, to be leaders in international research and education for sustainable fisheries and aquaculture. Fundamental research on aquatic animal health, environments, reproduction, genetics, nutrition and feed supplies, on production systems, on markets, and on social and economic impacts all play significant roles in achieving our mission. Two Maine Technology Assets Fund proposals for \$5,000,000 are being submitted. One is for a modern, high-tech building with a wing to house both Institutes, along with the Maine Aquatic Animal Health Laboratory (including research aquaria). The USDA's is a collaborator in this project, and its National Cold Water Marine Aquaculture Center will be housed in another wing of this building. This unified effort will enhance collaborative research and provide economies of scale

for administrative functions. A second building is designed to house state-of-the-art veterinary diagnostic laboratories and a disease isolation aquarium.

Naming Opportunities

Again, the MTAF Challenge is to raise a dollar-for-dollar match for the funding we are requesting for these buildings. While we can partially match with salary dollars from Lobster Institute personnel and University of Maine faculty, monetary support from industry partners and the community will be looked upon extremely favorably by the grant review committee and will greatly enhance our chances of obtaining funding. Again, your dollars will assure the MTAF review committee that valuable work will be conducted in these new buildings – guaranteeing that they will not sit idle. We are looking for at least \$2.5 million in non-University support. Here are some naming gift opportunities and corresponding gift amounts.

OPPORTUNITY	AMOUNT
Veterinary Diagnostic Building	\$1,500,000
Veterinary Diagnostic Lab Unit	\$1,000,000
Aquatic Animal Health Lab	\$ 500,000
Diagnostic Isolation Aquarium	\$ 250,000
Necropsy Suite	\$ 250,000
Laboratory Manager's Office	\$ 100,000
The Lobster Institute	\$2,000,000
University Distinguished Professor	\$1,000,000
Fellowship in Lobster Health Research	\$500,000
Fisheries & Aquaculture Wing	\$1,500,000
Research Aquarium	\$ 250,000
Lobster Institute Office Suite	\$ 500,000
Conference Room	\$ 100,000
Individual Offices	\$ 50,000

If you are interested in helping meet the MTAF Challenge – contact Cathy Billings of the Lobster Institute at cathy.billings@umit.maine.edu or at 207-581-2751. For detailed information on how to make gifts of property or appreciated stocks, you may also contact the Lobster Institute's fiscal agent, the University of Maine Foundation at 207-581-5100. ☞



Check out the Lobster Institute website at

www.lobsterinstitute.org,

providing the definitive site for lobster information with nearly 200 links.





Contact us at 207-581-2751 if you would like to sponsor our “Research Report” and see your logo here!

RESEARCH REPORT

Readers may contact the Lobster Institute for more detailed information on any of these projects.

For this Special Edition announcing the MTAF Challenge, we have suspended the “Research Report” for this issue of the *Lobster Bulletin*. It will return in the Winter 2009 edition.

Gifts of Property: How They Work and How They Can Benefit the Donor

(From the University of Maine Foundation Web site, www.umainefoundation.org)

If you own a home or other property you no longer wish to occupy or manage, and you would like to make a charitable gift, you may find that a gift of such property can be a very efficient way to meet both goals. If you sell real estate you have owned for a number of years, it is likely that you will be faced with a sizable capital gains tax, especially if the property is not your residence. Through an outright gift of such a property, a double tax savings is possible. First, in most cases, you will receive a charitable income tax deduction for the full amount of the property. In addition, you will not be liable for capital gains tax on the transfer, since the property was donated rather than sold.

You may donate a residence or condo, farm or forestland, commercial property, or other real estate as an outright gift or retain the right to occupy the property for life. A gift of a remainder interest in a personal residence or farm gives you a current income tax deduction for the present value of the remainder interest and lets you eliminate any capital gains on the appreciation.

- **Example:** A married couple ages 83 and 81 donated their interest in a retirement community with an appraised value of \$368,000. The couple retained the right to live in the home for the remainder of their lives. The gift with the life estate resulted in a charitable contribution of \$245,051. Upon the death of the last to die, the interest in their retirement community home will be sold and the net proceeds will be added to their endowment at the Foundation.

Gifts of appreciated real property held more than one year are generally deductible up to 30% of adjusted gross income. Excess contributions may be carried forward for up to five consecutive tax years.

A qualified appraisal is generally needed to substantiate a claim of an income tax charitable deduction with respect to a donation of real estate if the claimed value exceeds \$5,000. An appraisal summary — IRS Form 8283 — must also be filed with the federal income tax return on which the gift is first claimed or reported.

Works of art, rare books, antiques, intellectual property and other tangible and intangible property may also make practical and meaningful gifts. Special rules apply to the tax benefits for such gifts. Whether your gift is deductible as well as what the deduction amount will be depend upon how the gift will be used and the appraised value.

The University of Maine Foundation has professional giving officers ready to work with you and your advisors. They may be reached Monday-Friday between the hours of 8 am and 5 pm by calling **1-800-982-8503** or via email at umainefoundation@maine.edu. ☞

Other Ways of Giving

- Cash Gifts
- Appreciated Securities
- Life Insurance
- Retirement Plan Assets
- Charitable Lead Trusts
- Bequests
- Life Income Plans
 - Gift Annuities
 - Pooled Life Income Funds
 - Charitable Remainder Trusts

Call the Lobster Institute at 207-581-2751 for details.



LOBSTER INSTITUTE
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Basil & Harriet Heannsler Help the Lobster Institute Meet the MTAF Challenge With a Gift of Property

Basil and Harriet Heannsler, long-time owners of Canary Cove Lobster Company in the Sunshine area of Deer Isle, Maine, are the first to support the work of the Lobster Institute through a gift of land. The Heannslers have generously donated an 80-acre± parcel in Lubec. Proceeds from the sale of the land are to be dedicated to the work of the Lobster Institute and will help meet the MTAF Challenge (See page 1).



Dr. Bob Bayer (l) accepts the deed to property donated to the Lobster Institute by Basil (c) and Harriet (r) Heannsler. Canary Cove Lobster Pound is in the background.

Basil was one of the charter members of the Lobster Institute's Board of Advisors in 1987. The Heannsler

Family has been involved in the lobster industry for generations. Basil followed in his father's and his grandfather's footsteps, and began lobstering at an early age. He took over the management of Canary Cove Lobster Company from his father in 1972. He still manages the company today, with help from his children and grandchildren. His daughter Kathy not only helps with the business, but further followed her father's example as she currently serves as a member of the Institute's Board of Advisors.

Basil noted that in addition to providing financial support to the Lobster Institute to help meet the MTAF Challenge, their donation of property to the Institute is also good business for him and his family as it not only provides them with a charitable deduction today, it also helps them avoid "death taxes" in the future.

"Basil has always been a trusted advisor and friend," says Lobster Institute Executive Director Bob Bayer. "He's sharp as a tack and has had a profitable business for many decades now. He and his family embody the spirit of Maine's lobstering communities - hard working, family oriented, and very generous. From his first days as a leader of the Lobster Institute - to this current gift of land to support the Institute's work, Basil has shown his love of the lobster fishery and commitment to its success. We are very grateful." ❧

**For more information on the MTAF
Challenge, the building project it will
support, and how you can contribute to
help the Lobster Institute meet this
challenge, please contact Cathy Billings at
207-581-2751 or
cathy.billings@umit.maine.edu**