

Investments in the Life Sciences

where – how – why

June 4th, 2014

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History of the Munich Biotech Cluster



- 1984 Foundation of the Munich Gene Center
- 1989 1st Munich biotech company
- 1996 Munich is one of the winners (€ 25 M) in the *BioRegio Contest* of the BMBF
- 1997 Bio^M is founded as the central contact point for biotechnology in the Greater Munich Area
- 2007 Munich is one of the winners (€ 5 M) in the *BioIndustry 2021 Contest (industrial biotechnology)* of the BMBF
- 2010 Munich is one of the winners (€ 40 M) in the *Leading Edge Cluster Competition* of the BMBF

Bio^M : 2 Companies – 1 Goal



- **Central Point of Contact** for Research Institutes, Life Science Companies and Founders
- Creation of an **innovation culture**
- **Supporting connections** within the industry itself as well as between research institutions and the industry
- Advice on **finance opportunities & funding programs**



(for profit)

Munich
& Bavaria

- Seed Financing
- VC Fund Management
- Consulting (abroad)



(non for profit)

Munich
& Bavaria

- Scouting & Incubation
- Regional Matchmaking
- PR / Location-Marketing
- Networking
- Event & Conference Management
- Internationalization
- Business Development
- Training & Coaching
- Promotion & Implementation of Personalized Medicine

SME

- Funding
- Partnering
- Business Development
- Networking
- Professional Training
- Events



Big Pharma

- Partnering
- Seminars & Workshops
- Networking
- Events



Academia

- Scouting & Incubation
- Start-up Consulting
- Funding



The Munich Life Science Cluster

- a Leading Pharma and Biotech Location

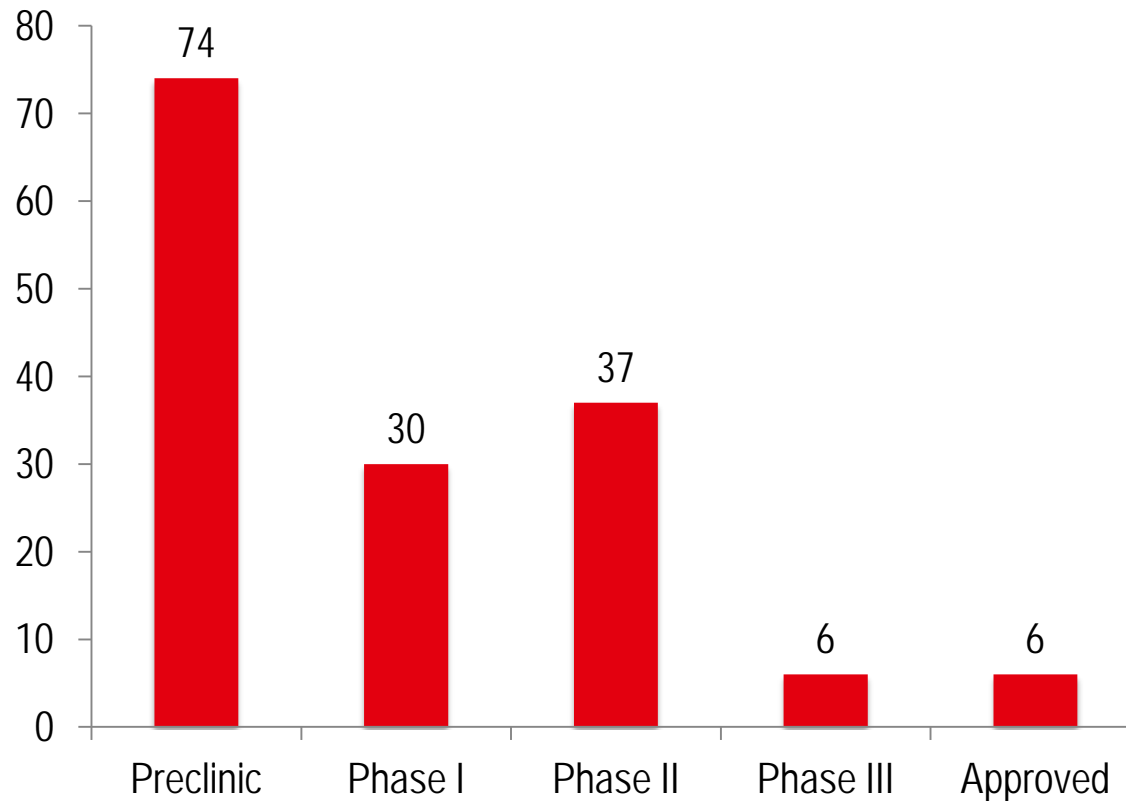


- > 300 life science companies (126 SMEs)
- > 50% of SMEs focus on Tx & Dx
- impressive drug development pipe line
- Revenues 2012 (SMEs): > € 350 m
- innovative platform technologies:
imaging, genomics, proteomics, kinomics, etc.
- 8 excellent research institutions (including 2 Ivy League Universities)
- all 6 German Health Research Centers
- high density in hospitals, study centers
- >40 pharma / big biotech companies
- 30,000 employees in the life sciences and the life science industry (SMEs: 3,000)
- large incubator space (26,000 m²)
- 4 TTOs
- > € 3.5 Bn invested since 1996



Bavarias Drug Development Pipeline

Developmental programs from preclinic to market



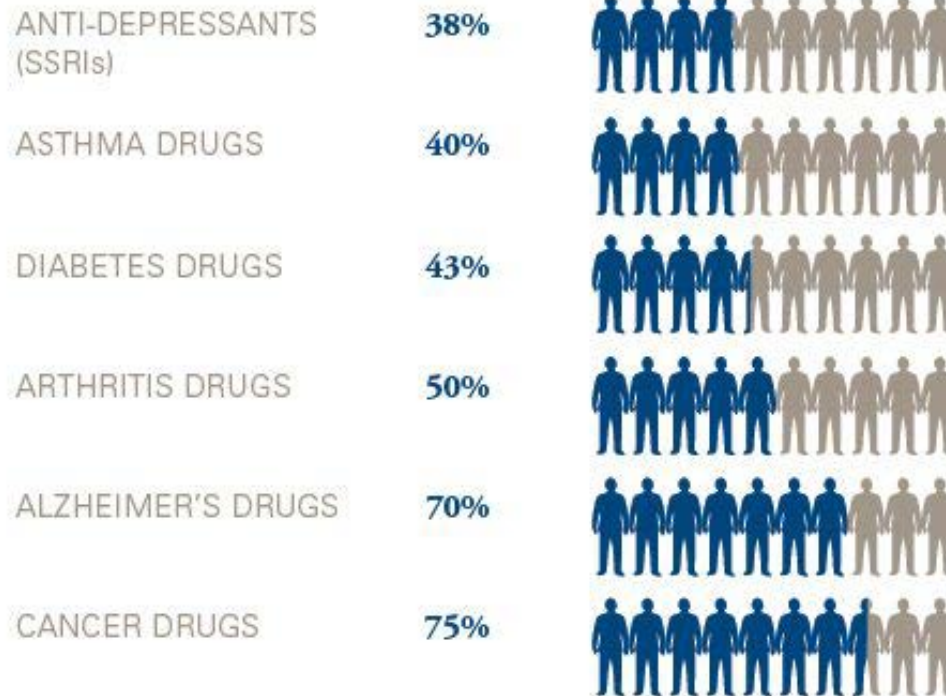
Source: Bavarian Biotech Report 2013/14

International Cooperation Partners (B2B)



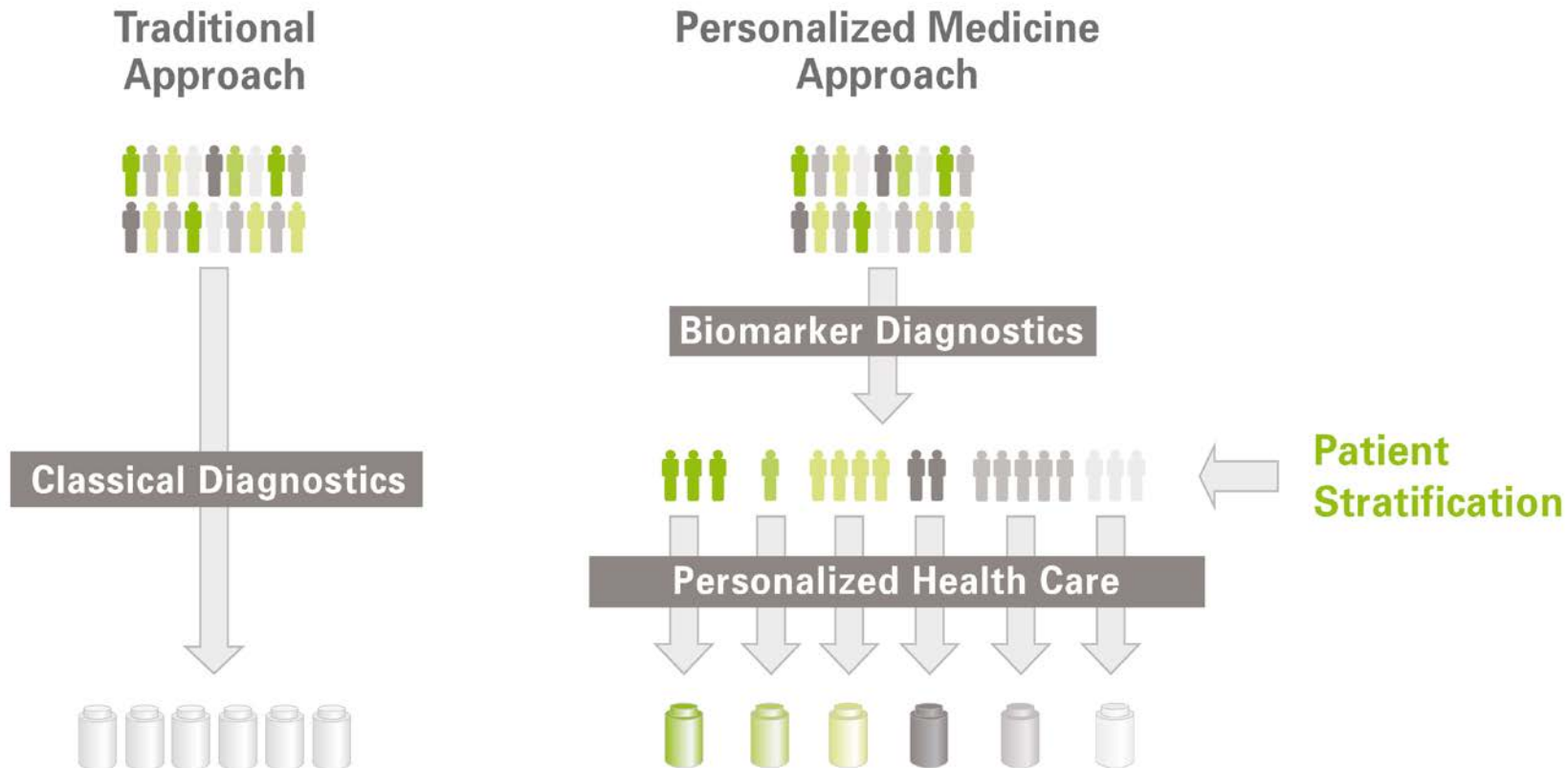
90% of all drugs are efficient in only 30-60 % of the patients

PERCENTAGE OF THE PATIENT POPULATION FOR WHICH A PARTICULAR DRUG IS INEFFECTIVE, ON AVERAGE



The Case for Personalized Medicine, 2011.

Personalized Medicine: Healthcare of the Future



4 Strong Partners for Munich



HelmholtzZentrum münchen
Deutsches Forschungszentrum für Gesundheit



XL-protein
Improved Biopharmaceuticals



MAX-PLANCK



m⁴ Scouting & Incubation

Support for Innovation and Start-ups in PM

m⁴ Award

- New regional pre-seed competition
- Funding for innovative pre-seed projects



m⁴ Incubation

- Targeted development of the projects by individual and professional project management and support



m⁴ Scouting

- Targeted identification and support for research projects with high innovation potential

m⁴ Mentor Circle

- Mentoring program for scientists and young entrepreneurs

€ 8.5 million until 2015



Targeted
Therapies

Drug
Development

Individualized
Vaccines

Biomarkers

Companion
Diagnostics

€ 500.000 project + € 30.000 consulting funding

1st call: 2010/2011: 5 winner projects (80 applications)

2nd call: 2012/2013: 5 winner projects (35 applications)

Three winners have already founded their start-up companies
two of them are already financed

Selected Success Stories



January 26, 2012

- Amgen acquires Micromet in cash
- Transaction value: \$ 1.16 bn



May 21, 2008

- Daiichi Sankyo acquires U3 Pharma in cash
- Transaction value: € 150 m

Bio^M Finance venture!



September 28, 2010

- Pieris signs a multi-year, multi-target collaboration with Sanofi and Sanofi Pasteur

Bio^M Finance venture!



June 26, 2012

- JANSSEN-CILAG acquires Corimmun
- Transaction value: \$ 225 m

Bio^M Finance venture!



December 02, 2007

- MorphoSys (current market cap > € 1.7 bn) and Novartis enter into a long term alliance
- Deal value up to \$ 1 bn

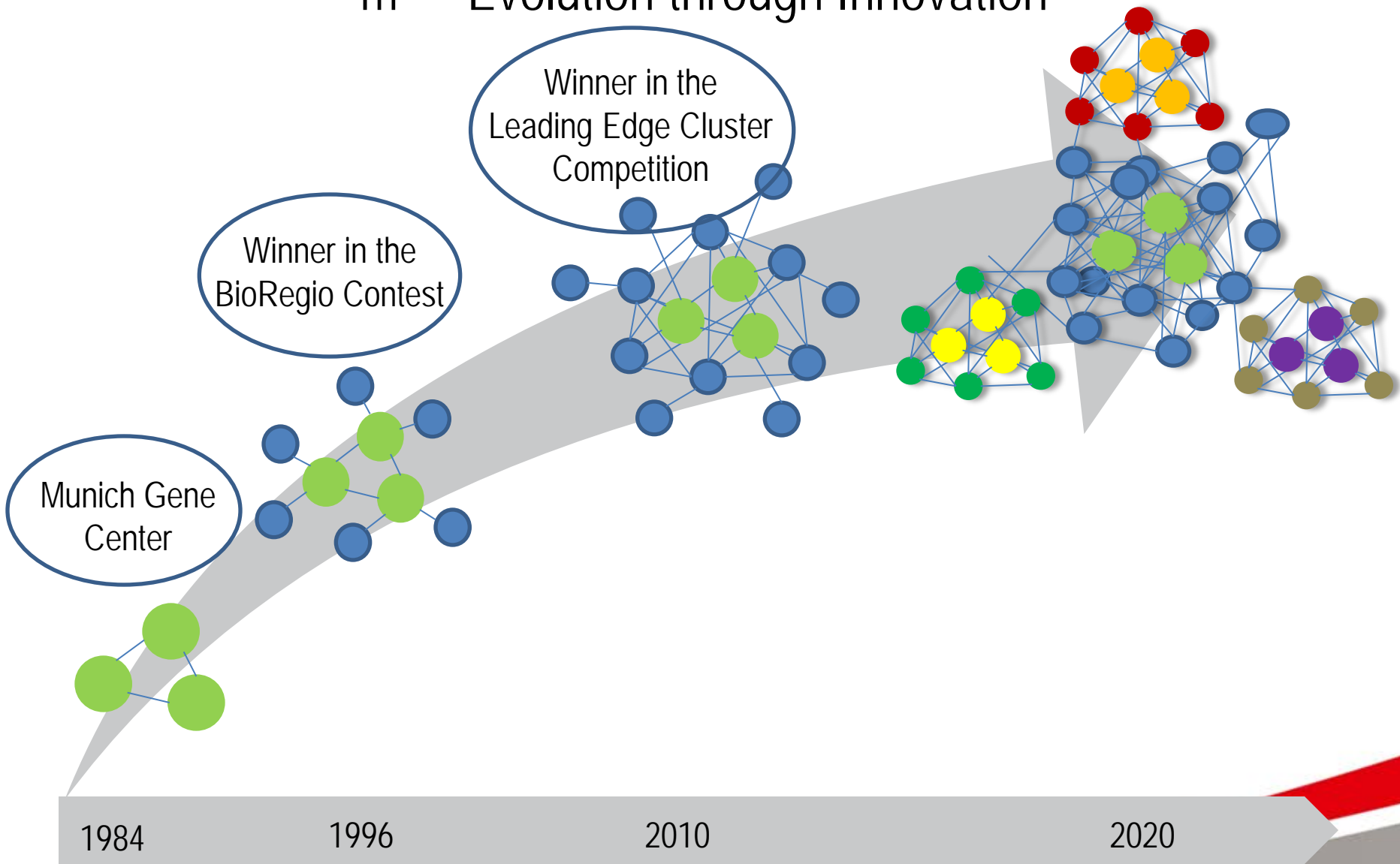


February 9, 2011

- Evotec acquires Kinaxo Biotechnologies
- Transaction value: € 12 m

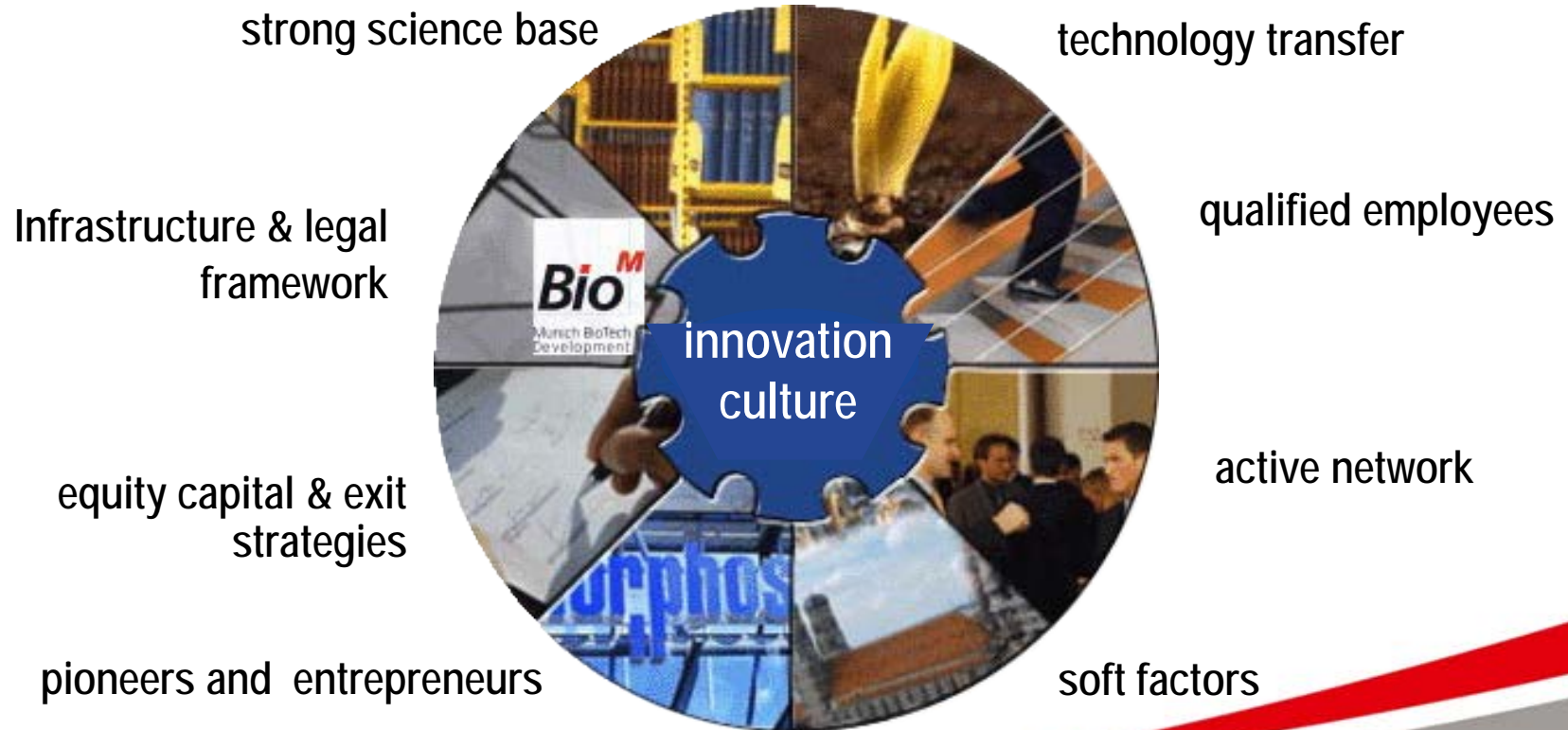
Bio^M Finance venture!

m^4 – Evolution through Innovation



Investments in the Life Sciences – where?

Innovation Hubs (Boston, Bay Area, San Diego, Cambridge, Oxford, Zurich, Munich, . . .)



Investments in the Life Sciences – how?

Stages and types of business concept

- service companies ☹️
- equipment developers 😊
- seed 😊
- from inception until proof of principle 😊
- from inception to phase II 😊
- late stage 😊
- from inception to IPO ☹️

Types of investment

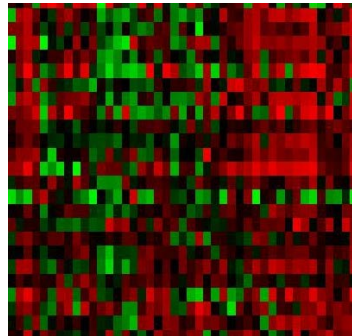
- HTGF, BK, . . . ☺️ - ☹️
- „Classical“ VC ☹️
- consortium of dedicated VC investors 😊
- business angels 😊
- corporate venture capital 😊
- Governmentally financed funds (cofinancing only) 😊
- US investors ☹️ - ☺️
- „R“ investors 😊
- US reverse merger or IPO 😊
- IPO in other countries (?)

Investments in the Life Sciences – why?

P4 Medicine – healthcare of the future

Predictive

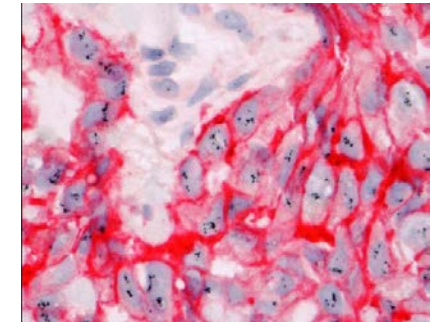
- biomarkers
- DNA/RNA-omics
- proteomics
- metabolomics



Personalized

stratification of patients

- Herceptin
- Erbitux
-



Preventive

- life style and treatment
- phenylketonuria
- diabetes
- cancer



Participatory

- informed decisions by informed patients
- 1000\$ genome



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