BIOBUSINESS DEMYSTIFIED

Biopreneurs : The Molecular Millionaires

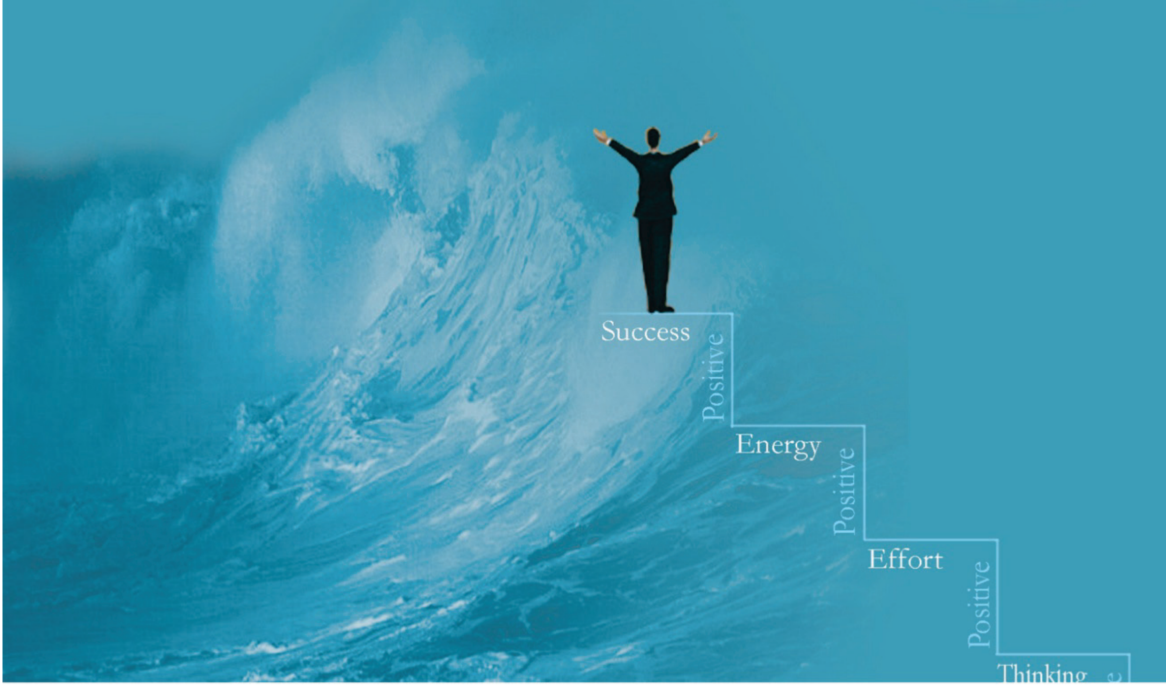
A biotechnology guide for VCs, Investors, Biotech Executives & Scientists

By

Dr. Ryan Baidya, Phd, MBA

with

Miyuki Shiratani, MBA



THE BUSINESS BEHIND THE SCIENCE

BIOPRENEUR:
The Molecular Millionaires

Biopreneur:
The Molecular Millionaires

Ryan Baidya, PhD, MBA
California Takshila University

with

Miyuki Shiratani, MBA
Devicenet USA, Inc.

California Takshila University Press
Silicon Valley California

Biopreneur:
The Molecular Millionaires

Published by California Takshila University
Silicon Valley, California

Copyrght © 2008 Ryan Baidya
First Edition

All rights reserved. No part of this book may be reprinted or reproduced or translated or utilized in any form or by any electronic, mechanical or other means, now know or hereafter invented, including photocopying and recording, or in any storage or retrieval system, without written permission from the publisher.

Library of Congress Cataloging-in-publication Data
is available from the United States Library of Congress.

ISBN -10: 0-9822001-0-2 (hbk)
ISBN-13: 978-0-9822001-0-0 (hbk)
ISBN-10: 0-9822001-1-0 (pbk)
ISBN-13: 978-0-9822001-1-7 (pbk)

Bio-business – a new Gold Rush

Bio-business comprises over 10 trillion dollars or 30 percent of the global economy. Countries throughout the world have identified new opportunities in the bio-business arena as the next hot-technology area and are investing in training their scientists, setting up state-of-the-art life science and technology-knowledge clusters, establishing viable biotechnology industries to fuel growth in bio-business areas.

In the recent years, there is more willingness and push for cross-disciplinary work and ventures between high-tech and biotech. Professional and business investors may find biotech as a new Gold Rush of our time. Biotech offers infinite opportunities as long as human beings reside on this planet.

It is considered that the bio-business is going to be the fastest growing sector of the world economy during this century. Some even designate the 21st century as the *bio-century*.

Can you afford to be simply a spectator?

About the Authors

Ryan Baidya, Ph.D., MBA

Dr. Baidya, an entrepreneur, has a rare combination of expertise and professional background. He is a business strategist, an inventor, a public speaker, a thought leader (Frost & Sullivan), an educator (MBA-faculty for CTU), a mentor and an expert in bio-business. He has overall 15+ years of experience in the biotech and IT -business development (domestic & International), licensing and marketing. He serves as an advisor to several technology-based companies in USA, Japan and India.

Currently, he is a faculty for MBA at the California Takshila University, Silicon Valley. He gave numerous lectures on entrepreneurship; business-strategy and technology related topics at conferences, primarily in USA, and Japan and served as a Thought Leader, Frost & Sullivan Executive Summits. He authored articles, patents, and commentaries.

Dr. Baidya received an MBA at the San Jose State University; a doctoral degree in Science at the University of California, Santa Cruz; and a Master Degree from the Indian Institute of Technology (IIT) Kanpur. As a fellow of the Damon Runyon Walter-Winchell Foundation he spent five years at the University of Colorado Boulder.

Miyuki Shiratani, MBA

Mrs. Shiratani is a logistician with 12+ years of experience in business development and international business relation. She has worked several multinational companies in Japan and USA. Her early works include international business logistics and corporate communications in the high-tech field (Sharp Corp, Japan). Later she contributed immensely in the business development of BioZak, Inc., an antiviral drug discovery company and has written on bio-businesses in Japan.

She currently works at DeviceNet USA in Silicon Valley and serves as an adjunct faculty of Business at the California Takshila University. Mrs. Shiratani received her BA in International Relation in Osaka, Japan and an MBA at San Jose State University, California, USA.

BRIEF CONTENT

TABLE OF CONTENTS

Pre-clinical Development

Clinical Development

Beginning a Bioventure

Funding for Bioventure

Fund Raising

Valuation

Public Relations & Investor Relations

Role of Marketing in Biotech Business

Investment in Biotech Industry

Journey of a Biopreneur

It’s your Call

Success

SUPPLEMENTS

Prelude

*W*e know that every business is related to either inventive or innovative products or services and it must face some ups and downs throughout the phases of its development. Ultimately, and quite fortunately, a stage usually appears in typical development that can offer some comfort and satisfaction to the participants of most business ventures. But purists in any field will advocate neither satisfaction, nor comfort alone, for its own sake. It is dedication, business zeal, will power to prove proficiency, and the unforgettable love of a product that entices most people involved to continue serving business goals. Our focus and our prime concern in this book are to explore *bioventure* and the journey of a *bioventurer*.

Bioventure represents a microcosm of the world at large concentrated into the small word of biological *venture capital*. As far as biopreneurs are concerned we have to define a scenario with a different kind of light—a light of a different color and temperature. It is an interesting and exciting a time for people wanting to appreciate the world of bioventure. And this is plainly because biotechnology, with emergent educational, governmental, and industrial support, is moving toward its wave crest.

*W*e can think of *bioventure* being a sleek aerodynamic car racing on three wheels—technology, management, and capital. Each wheel is extremely sophisticated, and must be taken care of appropriately to drive the car to an ultimate and optimal destination. After spending many years learning and teaching, when I joined the practiced field of authentic business, I realized the need for the proper understanding of those three driving *wheels*. As people from the field of research work, and management, we may be aware of the greater issues related to our own unique areas of interest, but to be a truly successful biopreneur we must have a commanding grasp on all three driving wheels in our bio-business.

*W*hen we look at the world of *bioventure* we find several cases where people intended to invest heavily, but due to a lack of suitable knowledge they decided to shy away. There are instances where companies having a potential to expand their horizons by meeting a mere few necessities—such as patenting their ideas, and technology. Simply having enough information and facts regarding selling intellectual property or research-based material to pharmaceutical establishments may help some budding bioventures to succeed. But insufficient information also causes comparable ventures to lag behind other more aggressive competitors.

*W*hen these realizations struck me, I felt there was a lack of one extraordinary item in our immediate area which could solve our collective problems. That extraordinary item was a quality study curriculum that might be of assistance to all people in the field of bioventure. My intent is that this study material must contain substantial information for all—upcoming entrepreneurs, people from the field of management, and suited investors. This would not only to serve getting people from various fields under the one roof—bioventure—but it would also create a feeling of unanimity within bioventure.

*W*orking together has always been a fun for people like us. Now we have the means to create that same fun—multiplied—by networking our talents, invented drugs, and various other biotechnological products. At the same time there could be an additional benefit waiting for each of us involved, in the form of earned capital. In all honesty, that is simply one future that I dream of for *bioventure*. The best possible future relies on greater understanding among the people associated with this business. This will be possible only if we can integrate our knowledge and experience, and operate within each other's respective fields of expertise. If we can appreciate the views that those among us want to share, and vice versa, then a treasure trove in bioventure is not far off.

*K*eeping all this in mind I started writing my book. Now the book is ready to begin its journey. I hope it will travel a long way binding a bio-world together for a better, cheerful future in bioventure. As we all know every business has its commercial perspectives, and that is as it must be. But at the same time we must keep our eyes open for the humanitarian views. I have tried to focus on specific parts of bioventure that venture capitalists, or other prospective investors, along with *biopreneurs*, might always bear in mind, so that their actual goals of helping needy people is the foremost issue. And the money will flow if consumers are there to buy the products, and that will happen if we don't forget others needs.

Our book is targeted for everyone associated with the field of bioventure. Whether you are preparing to start a business, a potential investor, a person from the field of management, or you are a researcher, I hope you will find reading this book essential. I have tried to say a lot, though I possibly have missed things which I will need to revise in another issue. I invite responses from you so that I can understand what you want, making an ongoing and continued conversation, an enduring process to exchange thoughts on the topic. After all we can build the future world of bioventure together, by pooling our dreams together.

Ryan Baidya
Miyuki Shiratani

Writing the book, Biopreneurs: The Molecular Millionaires, we, Ryan Baidya and Miyuki Shiratani, have tried to cover the ordinary and extraordinary resources that readers can utilize to understand the biotech industry. While writing the book, we kept in mind those without biotech backgrounds. So, the book does not emphasize dry hard facts from life science subjects, or financial figures from the stock market. It is rather a lucid situational analysis of the biotech industry.

It strives to educate prospective investors in how and why to invest in start- up ventures, and early-stage companies. In addition, it also provides tools, knowledge, and expertise, identifying appropriate times to realize profits in a particular field. In a nutshell, we have earnestly tried to incorporate as much information as possible to make this book your best friend, philosopher and a guide for those people interested in biotechnology.

"..Vision without action is a daydream.
Action without vision is a nightmare.."

California Takshila University