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Scaling Bio-Entrepreneurship: Foundation for Sustainable Future

BIRAC celebrated its 4th Foundation day at India Habitat Centre, New Delhi on 20th-21st March 2016. The occasion was celebrated with great enthusiasm by the BIRAC community along with dignitaries representing the Government, academia, industry, start-ups and budding entrepreneurs. The theme of the event was *Scaling Bio-Entrepreneurship: Foundation for Sustainable Future*.

INAUGURAL SESSION

The event started with the Welcome Address by Dr Renu Swarup, MD, BIRAC and Senior Adviser, DBT. She highlighted on BIRAC's role in stimulating and nurturing research and innovation skills of biotech innovators. She reiterated BIRAC's four year journey of nurturing and promoting the start-up ecosystem across the country. Dr. Swarup echoed about the several schemes under BIRAC which have led to increased Industry-Academic Partnerships along with delivery of new products, technologies and intellectual property. She also stressed on BIRAC's mandate of empowering innovators through imbibing the culture of fostering and openness.

In his keynote address Prof. K. VijayRaghavan, Secretary DBT & Chairman BIRAC, congratulated the team of BIRAC for successfully completing four years of its journey. However he also laid emphasis on how BIRAC should keep evolving itself and not become static. Prof. VijayRaghavan also stressed on how apart from Biotechnology BIRAC should expand its reach to other fields as well. He reiterated BIRAC's role in scaling of innovative bio-enterprises which is a must to achieve its goal to build a US\$100 billion bioeconomy by 2025.



ANNOUNCEMENT OF COLLABORATIONS AND PRESENTATION OF AWARDS FOR BIRAC IDEA-THON 2016

Dr. Renu Swarup was pleased to announce four new strategic partnerships with: Nesta – the UK’s Innovation Charity; Tekes – Finnish Funding Agency for innovation; Horticulture Innovation Australia (HIA); and Tata Institute of Social Sciences (TISS). The new partnerships will supplement BIRAC’s role in reaching out to the world for sustainable impact.

Announcements of collaborations were followed by the presentation of awards to the winners of **BIRAC Ideathon** held on 19th and 20th March. Ideathon was dedicated to generating a focused novel idea by different teams of students from all across India on the relevant theme of Anti-Microbial Resistance (AMR) Diagnostics. Of the 27 applications that were received, 10 were shortlisted and finally 8 teams participated in the Idea-thon. The teams presented their innovative ideas to the jury comprising of experts from industry, academia and incubators. The jury selected two winners viz.:

Team 1: Priyanka Bajaj (Team Leader), Department of Microbiology, University of Delhi South Campus, Abhishikha Srivastava and Bandana Kumari, Department of Biophysics, University of Delhi South Campus, Shalu Sharma, CSIR-Institute of Genomics and Integrative Biology, and Prof. J.S. Virdi, Department of Microbiology, University of Delhi South Campus



Team 5: Praveen Kumar and R. Rajaram from Central Electrochemical Research Institute – CSIR



Delivering the *Plenary Talk*, **Prof. Ashok Jhunjhunwala**, from IIT Madras, stressed on successful funding to technology startups. He stated that sound funding strategy requires understanding of risks at different stages of development and the ability of founding team to understand the target markets and willingness to drive the markets. He also emphasized that Govt. funding should support exploratory stage R&D. Prof. Jhunjhunwala also touched upon the risks faced by entrepreneurs and possible ways of overcoming those risks.

The inaugural session ended with an inspirational *Foundation Day Lecture* by **Mr. Kris Gopalakrishnan**, Co-Founder of Infosys. He started with congratulating BIRAC for successfully completing its four years. Mr. Gopalakrishnan reflected his memorable journey at Infosys. He also raised the challenges faced by the entrepreneurs and how mentorship could play an important role in scaling start-ups. He emphasized on the need for more incubators and support ecosystem where we can learn from each others. Shri Gopalakrishnan also mentioned about Government's role in supporting start-ups by bringing in new policies and regulations. Further he emphasized that India should build up capabilities in focused areas such as personalized medicine, public health and sanitation, to name a few.



Prof. Ashok Jhunjhunwala, IIT Madras



Mr. Kris Gopalakrishnan, Infosys



Unveiling of BIRAC's Corporate Brochure

PANEL DISCUSSIONS: DAY 2

The second day started with the buzzing panel discussions on issues and challenges related to Scaling Bio-entrepreneurship--- a foundation to sustainable Future.

Panel I – Scaling Bio-enterprise: Beyond Ignition & Incubation

Moderator: Ms. Deepanwita Chattopadhyay, IKP Knowledge Park

Panelists: Dr. Manish Tandon, Curadev; Dr. M Kuppusamy, Tergene; Dr. Bharat Tandon, Sericare; and Sh. Venkatadri Bobba, VenturEast Funds



Scaling Bio-entrepreneurship faces a lot of challenges. The panel sought answers to how an enterprise should assimilate different streams of R&D, HR, access to funding, manufacturing and delivery while planning for growth. The panelists also shared their own experiences as entrepreneurs. After elaborate discussions by the panelists following suggestions were made:

1. BIRAC's goal for 2020 was set i.e. to support about 2000 new biotech enterprises
2. Performance indicators for bio enterprises were also suggested which could be:
 - Financial strength
 - Technology that has global IP potential
 - Customers/ Social impact of the product in terms of beneficiaries
 - Employment generation
3. It was also highlighted that oncology, metabolic syndrome, multiple sclerosis, Hepatitis C and RA are the emerging areas of interest to venture capitalists.
4. To scale up bio enterprise focus should be laid on elegant science, global partnerships and quality of scientific advisory boards.
5. Entrepreneurs shared their personal journeys and laid down following points:

- A start-up should have a brilliant idea, great operational skills and trained management team.
- Govt. funds act as catalyst, therefore new funds should be brought on board as they cannot solely survive on govt. funds
- They also stressed on balanced partnerships and early exit strategies
- Early in-licensing of technology, filing PCT for good invention at early stage was also suggested

Panel II – Crossing the ‘Valley of Death’

Moderator: Sh. Sujay Shetty, PwC

Panelists: Mrs. Visalakshi C, Tata Capital Healthcare Fund; Sh. PR Ganapathy, Villgro; Sh. Shyam Menon, Infuse; Sh. Jagannath Samavedam, VenturEast Funds



The second discussion focused on the so called ‘valley of death’ which is one of the most important and difficult stage gates that startup enterprises need to steer. The panel discussed and tried to find answers as how to seek and secure funds to sail through this gap. It was also suggested that more number of VCs should take a step forward and invest in Series A rounds. The panelists shared their views and tried to find solutions to this most difficult challenge faced by the start-ups. The following recommendations were made by the panel:

1. Formalizing an institutionalized mechanism of BIRAC and VC investors to partner together for supporting Start-Ups
2. Lack of funding for innovators beyond Govt. grants and before VC investment needs to be addressed.
3. Mapping the VC investor eco-system along with their funding criteria should be made available for Innovators

4. Accessibility of BIRAC grantees database (including technical due diligence) to VCs for follow-on funding
5. Creation of an online platform/portal for sharing VCs experiences
6. Healthcare (Devices and Diagnostics) is the key investment area
7. Partnerships and networking can act as a bridge for successfully crossing this “Valley of Death”

Panel III – Incubation Models & Quality Mentoring-Keys for scaling Start-up Ventures

Moderator: Dr. Premnath Venugopalan, NCL Venture Center

Panelists: Dr. Shrishendu Mukherjee, Welcome Trust; Ms. Auli Pere, Tekes; Dr. Stefan Hart, J&J Innovation; Sh. Siraj Dhanani, Innacel; Sh. Thomas Payyapilli, Axilor; Dr. Taslimarif Saiyed, C-CAMP



The panelists discussed the importance of incubation, mentorship, hand holding and exit strategies. The panel talked about the optimal time for incubates to leave the nest. Role of Technical and Business Mentoring for scaling startups with the perspective of ensuring its sustainability of business was discussed. The panelists also proposed models for developing a robust, integrated and diversified network of mentors. Following recommendations were made by the panel:

1. Incubation is required for three different groups: early-stage ideas, academic entrepreneurs, companies in residence
2. Due diligence is required in early-stage incubation. Incubators should try to increase the odds of success of start-ups and take them to the next level
3. Mentorship is needed at the growth phase of the start-up providing it strong collaborations with big corporations
4. Focusing on unique problems and finding their solutions in accelerated time period
5. Funding of the projects based on need and should have wide spectrum
6. Make lifelong commitment and taking equity. Making choice of the entrepreneur
7. Internal venturing
8. Good technology should be coupled with a senior partners
9. Provide mentorship in assessing market value of the product

10. Mentorship should be comprehensive and cross-functional
11. Expertise in business and product concept should be there right from the beginning
12. Mentor should challenge entrepreneur in areas of its growth
13. Responsibility of University to handle issue related to IP in a right way
14. Positive chemistry between the mentor and entrepreneurs is important and reflects on the success of the start-up

Panel Discussion IV – Leveraging CSR (Corporate Social Responsibility) funding for developing a robust Innovation Ecosystem

Moderator: Dr. Renu Swarup, Senior Adviser, DBT & MD, BIRAC

Panelists: Sh. Arvind Gupta, Digital India Foundation; Ms. Deepanwita Chattopadhyay, IKP Knowledge Park; Dr. Mutyunjay Suar, KIIT-TBI; Dr. Taslimarif Saiyed, C-CAMP; Dr. P. Venugopalan, NCL Venture Center; Dr. Anil Wali, FITT-IIT Delhi



Dr. Renu Swarup initiated the discussion by sharing her views on Corporate Social Responsibility funding. She said that CSR is a good source for Bio-incubator seed funds catering to startups financial needs. She also focused on how incubators could be made into a lucrative brand for investment. Panelists provided their expert perspectives on the issue of CSR. Dr. Anil Wali, Ms. Deepanwita Chattopadhyay and Dr. M. Suar gave their insights on how their incubators could successfully raise CSR funds. The panel made following recommendations:

1. Educating Corporates:

Corporates should be sensitized about role of bio-incubators for enabling innovation ecosystem in India. Educating them that start-ups bear same or even greater responsibility in terms of bringing a change in society.

2. **Model System:**

Structured model to channelize CSR funds for specific activities through incubators route that can create a value proposition for the incubator, startups and corporate.

3. **Supporting ecosystem**

Strong supporting environment needs to be provided to incubatees in order to route CSR funds through incubators. Therefore incubators have to be well equipped in every aspect to support a startup

In her concluding remarks, Dr. Renu Swarup thanked all the panelists and the participants for their contributions towards framing further action plan for BIRAC. She committed that BIRAC will take-up all necessary measures to reach its goal of supporting 2000 start-ups by 2020. She also urged all the stakeholders to continue their support envisioned for the initiatives taken by BIRAC in creating a vibrant ecosystem for startups to flourish.



The BIRAC Team