

Entrepreneurs and Large Established Companies

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Outline

- Successful bio-business startups
- BD Biosciences History,
from internal startup to a large business
- BD Cell Analysis Technology Sourcing
- Recommendations & Conclusion

This presentation is based on my personal thoughts, based on experience in several corporate environments. All of the information is in the public domain.

Successful Bio-Business Startups

Examples

- Genetech, Cetus, Amgen
- Miltenyi Biotec
- Partec
- Cytopeia (BD)
- Guava (Millipore/ EM Merck)
- Accuri (BD)



History of BD Biosciences Cell Analysis

- A rare internal startup, supported by the corporate President/ CEO Jack Howe
- Aggressive internal development and in-licensing of science and technology early
- Mostly internal product development next
- Additional increase of revenues through acquisitions of companies with substantial sales volume.

Technology/Product Sourcing Process

- University Licensing Offices
- Small company input
- Patent Databases (e.g. USPTO, Delphion)
- Scientific Literature (Google Scholar, Medline)
- Conferences
- Personal Networks

Considerations For Adding New Products

- Fit with Strategy
- Freedom to Operate (IP landscape)
- Size of Opportunity

The revenue level required from a new product line changes with the size of the company. Growth rates of 5%-10% are expected. Therefore a \$1M platform product addition is not interesting for a company with \$1B in yearly sales. There is a difference between large system products and consumables e.g. monoclonal antibodies.

Recommendations

Interaction with large Corporations

- Build local critical mass in a biotechnology area enhanced by external collaborations to create value for a partner
- Understand the business development processes of target companies
- Build substantial business value to attract attention
- Take advantage of non-monetary support for technology evaluation and further technology development

Increasing the Likelihood for Success

- Have passion for what you are doing
- Be the best in your field, get excellent people to help
- Focus on a well prepared business plan, but adjust as real opportunities arise
- Connect with large corporations in your fields to learn about needs in the market
- Leverage endorsement of your science into public funding (SBIR, STTR, DARPA)
- Assess outside input critically in the context of your business plan.
- Learn about the requirements of your corporate contacts
- Learn how to create (perceived by others) value for your business quickly.
- Do not give up easily, but be realistic in judging the value of your business.

Conclusion

There are many examples of successful businesses in biotechnology, based on the vision of a creative inventor and investors.

Connecting early to large established companies in the target market is likely to contribute to success.

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