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ASIA EDITION

"Uptick in public & private investors is enabling standalone companies"

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Swiss biotech venture accelerator and incubator BaseLaunch was started in 2017 to help launch and grow the next generation of biotech companies. The accelerator has already financed 16 startups and most of them have raised series A funding. BaseLaunch recently partnered with China Medical System Holdings Limited (CMS) to further strengthen industry ties, fuelling its company building activities. This is the Swiss accelerator's second partnership in Asia and the first in China. In an email interaction with BioSpectrum Asia, Stephan Emmerth, Director of Business Development & Operations, BaseLaunch, Switzerland discusses the accelerator's success to date, its partnerships and how the COVID-19 crisis has impacted its operations.

Could you tell us what BaseLaunch is all about?

BaseLaunch was initiated in 2017 to help launch and grow the next generation of biotech companies, with a focus on innovative therapeutic ventures. We provide a diverse range of support, from financial help to strategic advice for de-risking the science and team build-out. As each project is different, we tailor our offer to each one, while the venture retains the control over its decisions.

So far, we have financed 16 startups and most of them have already raised significant series A funding from top tier investors, totaling over $270 million in financing and an average total raise per company of over $34 million.

How would you differentiate your accelerator from the other accelerators in the field?

We are completely customised. We don't do training courses or anything like that. All ventures are different. The support we give to each one is different. Whatever is needed to get to a successful Series-A.

We are very focused on data and science. We are a bit allergic to ventures that have super-smooth, glossy pitches and lack the substance underneath!
Because we are based in Basel, we get access to the tremendous flow of innovation from this leading European life sciences hub. The academic and biopharma environment, the deep talent pool of the region and the entrepreneur-friendly economic policies of Switzerland make the difference for our portfolio's success.

In addition, we partner with key players from the biotech sector, leading pharmaceutical companies and venture funds, that help us in the selection of ventures as well as providing valuable know-how and network for their growth. Our partners are Roche, BB Pureos Bioventures, Roivant Sciences, Bridge Bioventures, CSL Behring, Johnson & Johnson and China Medical System.

How do you charge your startups?

We do not ask for equity, nor do we charge fees to our startups. We provide convertible loans up to $500k, which are convertible on behalf of our partners. If there is no conversion then the loan only needs to be returned when the company raises a significant amount of money. It is constructed in a way to be investor friendly.

What are the selection criteria for startups in your accelerator?

We look for therapeutic projects that have solid and highly innovative science with a committed team, in any therapeutic sector and modality. The projects selected are often at a pre-seed to seed stage, with a realistic route towards Series A financing within approximately two years. Projects should demonstrate initial efficacy of their approach (ideally in-vivo data). We have also selectively backed projects that were much earlier than in-vivo data - with differentiation from the competitive landscape.

Which companies are you currently working with?

We have recently announced three companies in our portfolio, with whom we are currently working:

Incephalo is a preclinical stage spin-off from the University of Zurich, positioned as a CLocked Fc-Fusion Cytokine and antibody company. Its first asset is for glioblastoma and its pipeline includes multiple sclerosis and Parkinson's disease.

NextImmune is a spin-off from the Biozentrum, University of Basel. The company works on a novel class of immunosuppressive therapies for autoimmune-inflammatory diseases and organ transplantation.

Engimmune is a platform and product development company from the ETH Zürich engineering highly potent and specific therapies based on T cell receptor (TCR) to target solid tumours. The company addresses key efficacy and safety challenges that currently limit the full potential of TCR-T cell and soluble TCR therapeutics.

Additionally, we are closing several other financings currently and hope to announce them soon.

You've recently partnered with China's CMS. Is this your first partnership in Asia?

We are glad to have recently welcomed China's CMS as a BaseLaunch partner. This is our first Chinese partner and the second partnership in Asia, following BridgeBio, based in South Korea.

By partnering with us, pharmas, biotechs, and VC partners get access to high quality deal flow from across Europe and their financial participation goes exclusively into the portfolio companies. They get the opportunity to convert in a future fundraising. In this way, they support the early biotech ecosystem and benefit from delayed gratification, meaning they are able to wait on the final investment decision until it is clear whether, over time, the venture is going in a direction that fits them.

In addition, our partners have the ability to bring us projects that are too early for them and can benefit from us working on getting them developed.

How has the ‘pandemic’ affected your operations?

The ‘pandemic’ has not significantly affected our operations, as we were able to digitalise many of our processes and move our events to an online format during this period, allowing us to reach a broader audience.
We have received applications from some projects that aim to provide COVID-19 treatments. We are currently evaluating a few of them.
Overall, the crisis has shown the importance of investing in scientific innovation. The increasing receptiveness of public and private investors to the biotech sector is making it possible to build standalone companies.

Are there any new projects in the offing?

Our next application deadline is December 19, 2021. We would like to encourage participation from early stage projects. We may help you to get your project off the ground and become one of the next cutting-edge biotech companies.

Ayesha Siddiqui