**BATON**

The BATON Program draws upon North Carolina’s wealth of professional services and entrepreneurship resources to facilitate the creation of sustainable bio-technology companies. Key BATON partners include the Biotechnology Center, technology-transfer offices, scientific inventors, professional-services providers and entrepreneurs to manage these companies. Together, these stakeholders work to:

- Identify inventions with commercial potential
- Create sustainable companies in North Carolina to capture these commercial opportunities
- Establish a network in which prequalified service providers agree to discount their services to entrepreneurial life-sciences companies
- Leverage NCBiotech loan funding for crucial inception-stage business activities

**Industrial Fellowship Program**

NCBiotech offers a fellowship program for Ph.D. scientists interested in transitioning into scientific careers in industry. The program provides two-year fellowships at North Carolina-based biotech companies so fellows can gain industry research experience. Under this program, the Center pays a majority of salary and benefits for the fellow, with the company contributing the rest.

**Other Networking Opportunities**

The Business and Technology Development team partners with CED (cednc.org) on the Biotech Forum series of panel discussions and networking receptions. Recent Biotech Forum events have focused on foundation funding, pharmaceutical dealers’ intentions and university technologies. We also organize the bimonthly meetings of the Life Science Business Development Professionals, which provide a forum for life-sciences executives to discuss licensing opportunities and share best practices.

**Benefiting from NCBiotech Loans: Addrenex**

The Biotechnology Center awarded two loans to Addrenex Pharmaceuticals in 2006—a $25,000 start-up loan and a $150,000 research loan.

This funding supported market research and manufacturing activities for Addrenex’s then-development-stage drug for attention deficit hyperactivity disorder. Progress with that lead product prompted the acquisition of Addrenex by Sciele (now Shionogi) in 2009. The FDA approved the drug, brand-named Kapvay, in 2010.

“For Addrenex, the loans were absolutely critical.”

—Stephen Butts, former vice president of Addrenex Pharmaceuticals

**North Carolina Biotechnology Center**

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Funding Emerging N.C. Biotech Companies

To promote company start-up, research and growth, the Biotechnology Center awards loans to promising companies, as well as grants to universities.

Low-interest loans, such as the Center’s Company Inception Loan (CIL), Small Business Research Loan (SRL) and Strategic Growth Loan (SGL), are available to biotechnology companies with a significant operating presence in the state. Additionally, universities across North Carolina are eligible for the Center’s Technology Enhancement Grant (TEG) and Collaborative Funding Grant (CFG).

<table>
<thead>
<tr>
<th>Program</th>
<th>Max</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>TEG</td>
<td>$50,000</td>
<td>Funds research and other commercially important activities that will advance a technology to a licensable stage of development</td>
</tr>
<tr>
<td>CIL</td>
<td>$50,000</td>
<td>Funds business inception and related activities critical to the start-up of a company</td>
</tr>
<tr>
<td>SRL</td>
<td>$250,000</td>
<td>Funds research leading to the development or refinement of a product or process with clear commercial potential</td>
</tr>
<tr>
<td>SGL*</td>
<td>$250,000</td>
<td>Provides funding to enable companies to reach specific and meaningful milestones required to access institutional or partner funding</td>
</tr>
<tr>
<td>CFG**</td>
<td>$100,000</td>
<td>Funds corporate research partnerships with academic labs</td>
</tr>
</tbody>
</table>

*Matches an equity investment or loan from an angel group or a venture capital fund.
**Administered by the Center’s Science and Technology Development group.

The Center performs rigorous due diligence before approving loan and grant applications as part of the competitive process. For details regarding loan and grant applications, eligibility and terms, visit ncbiotech.org/loans.

Connecting N.C. Companies with VC/Angel Investments

The Biotechnology Center understands that its grant and loan funding will, in most cases, not be sufficient to move a product from the lab to the market. As such, we lead a number of activities to promote investment in emerging companies from external sources. These activities have played a key role in generating more than $100 in subsequent funding for every Biotech Center dollar awarded to North Carolina-based companies. While many of our interactions revolve around business plan/presentation advice and informal referrals to VC/angel funding groups, we also lead several formal programs to promote such investments. Specific Biotech Center programs include:

NCBiotech VC Events
The Biotech Center organizes NCBiotech VC Events in regions with heavy concentrations of venture-capital funds. These events connect N.C.-based, VC-ready companies with groups of leading life-science VCs, with the dual goals of attracting investments into these companies and promoting investment in North Carolina overall.

NCBiotech Emerging Company Preview
Each year, the Biotech Center runs an NCBiotech Emerging Company Preview during which biotechnology companies present their pitches to VC investors and experienced corporate executives in the area. The candid feedback received by these companies enables them to refine their strategy and pitch before formally hitting the road to seek VC funding.

Direct Investments
The Biotech Center also makes investments in North Carolina-based angel and venture capital groups to promote additional investments in emerging life-science companies in the state. The Center’s investment enables individual investors in the funds to be eligible for the N.C. Qualified Business Tax Credit.

Catalyzing Partnerships for N.C.’s Companies and Universities

Business and Technology Development team members connect biotechnology companies in the state with industry leaders in North Carolina and beyond. As part of its efforts, the group spearheads the annual NCBiotech Partnering event that brings together North Carolina-based biotechnology companies with global industry leaders. These events typically draw many top multinational pharmaceutical, biotech and agricultural biotech companies as well as North Carolina’s leading and emerging companies.

In addition, as open innovation has taken hold in the biopharmaceutical industry, the Biotechnology Center has forged relationships between leading global life-science companies and the state’s academic research institutions. These efforts leverage the Center’s strong relationships with technology-transfer offices in the state as well as the Center’s Collaborative Funding Grant program.

For example, the Center recently initiated a series of NCBiotech Pharma-Academic Partnering Events to drive interaction between multinational companies and N.C.-based academic researchers—the ultimate goal being to fund and accelerate research projects at the state’s universities. For each event, the Center invites business development executives from a major life-science company to North Carolina to meet with local researchers who are developing promising technologies in therapeutic areas of interest to the company.