



BioCrossroads[®]
where ideas find **LIFE**

www.biocrossroads.com



we connect



we invest



we educate



“Though every state wants to be a hub for life sciences, Indiana really is one... Life sciences accounted for 23% of all [Indiana] job growth from 2001 to 2007.”

– The Economist, June 4, 2009



“This intense concentration is the magic elixir of modern economies... why San Diego and Indianapolis are global players in life sciences...”

Time Magazine Nov. 1, 2010



INDIANA'S STRENGTHS:

We start with an enviable number of leading life science and biotech companies. These companies put thousands of Hoosiers to work every day in great, highly skilled and high-paying jobs.

Four maps tell the story.....

Indiana's life sciences leaders (and workforce)

INDIANA PARTNERS
IN ECONOMIC DEVELOPMENT



Lafayette

- Evonik (700)
- Purdue University
- Purdue Research Park

Terre Haute

- Eli Lilly and Company (200)
- Rose-Hulman Institute of Technology

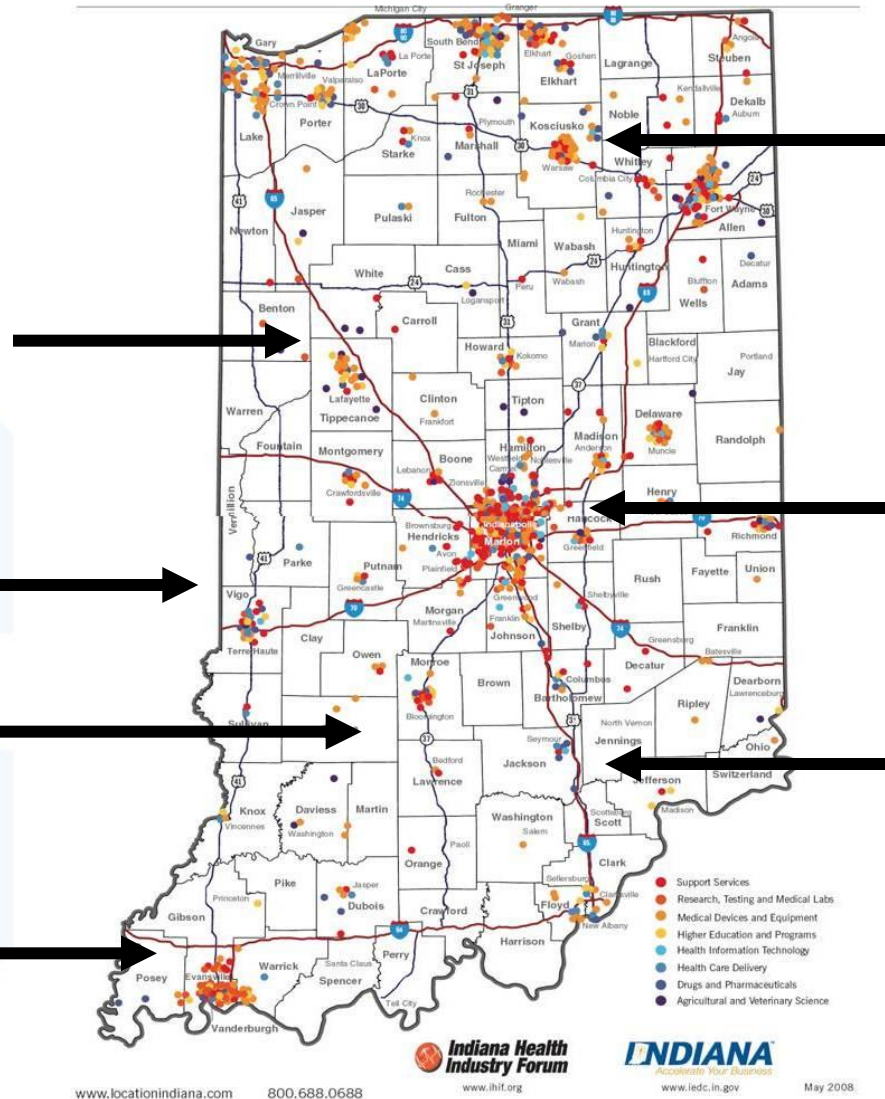
Bloomington

- Indiana University
- Baxter Biopharma Solutions (1,000)

- Cook Group (3,200)

Evansville

- Bristol Myers Squibb (300)
- Covance (200)
- Mead Johnson (1,500)



Warsaw

- Zimmer (2,500)
- DePuy (1,200)
- Biomet (1,400)

Indianapolis

- Beckman Coulter (500)
- Covance (1,500)
- Dow AgroSciences (1,100)
- Eli Lilly and Company (11,000)
- Hologic (200)
- Medco (1,300)
- Roche Diagnostics (2,700)
- WellPoint (4,200)

Seymour/Spencer

- Boston Scientific (800)
- Cook Urology (400)
- UCB Group (360)

www.locationindiana.com

800.688.0688



www.ihif.org

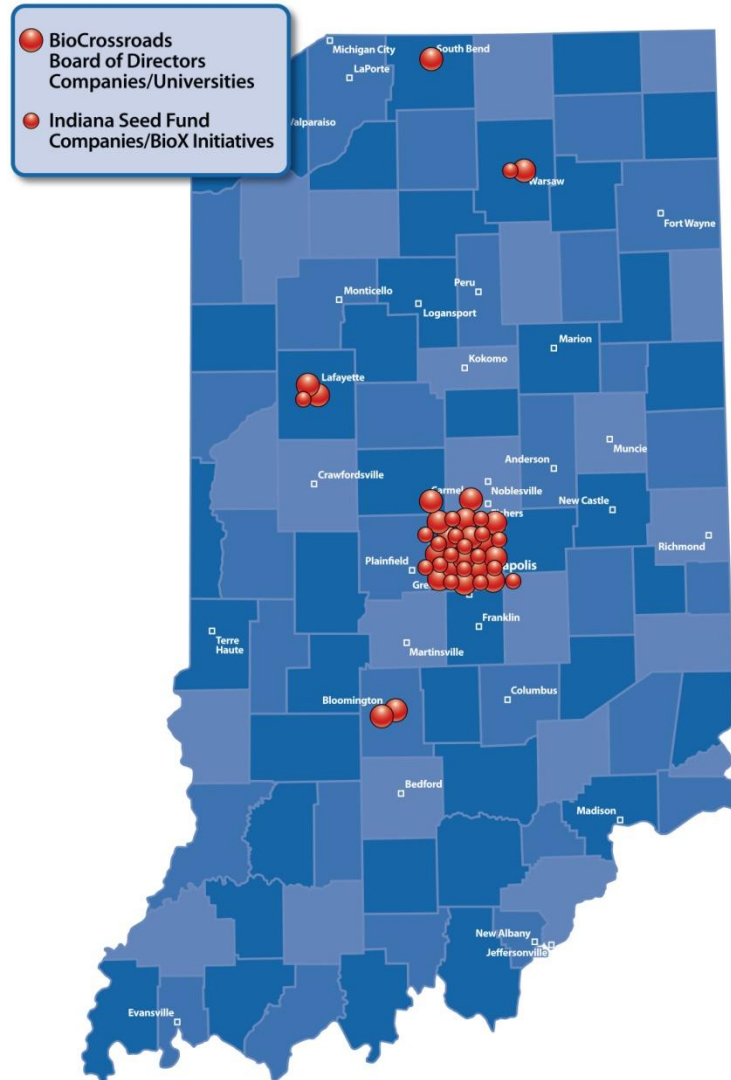


www.iedc.in.gov

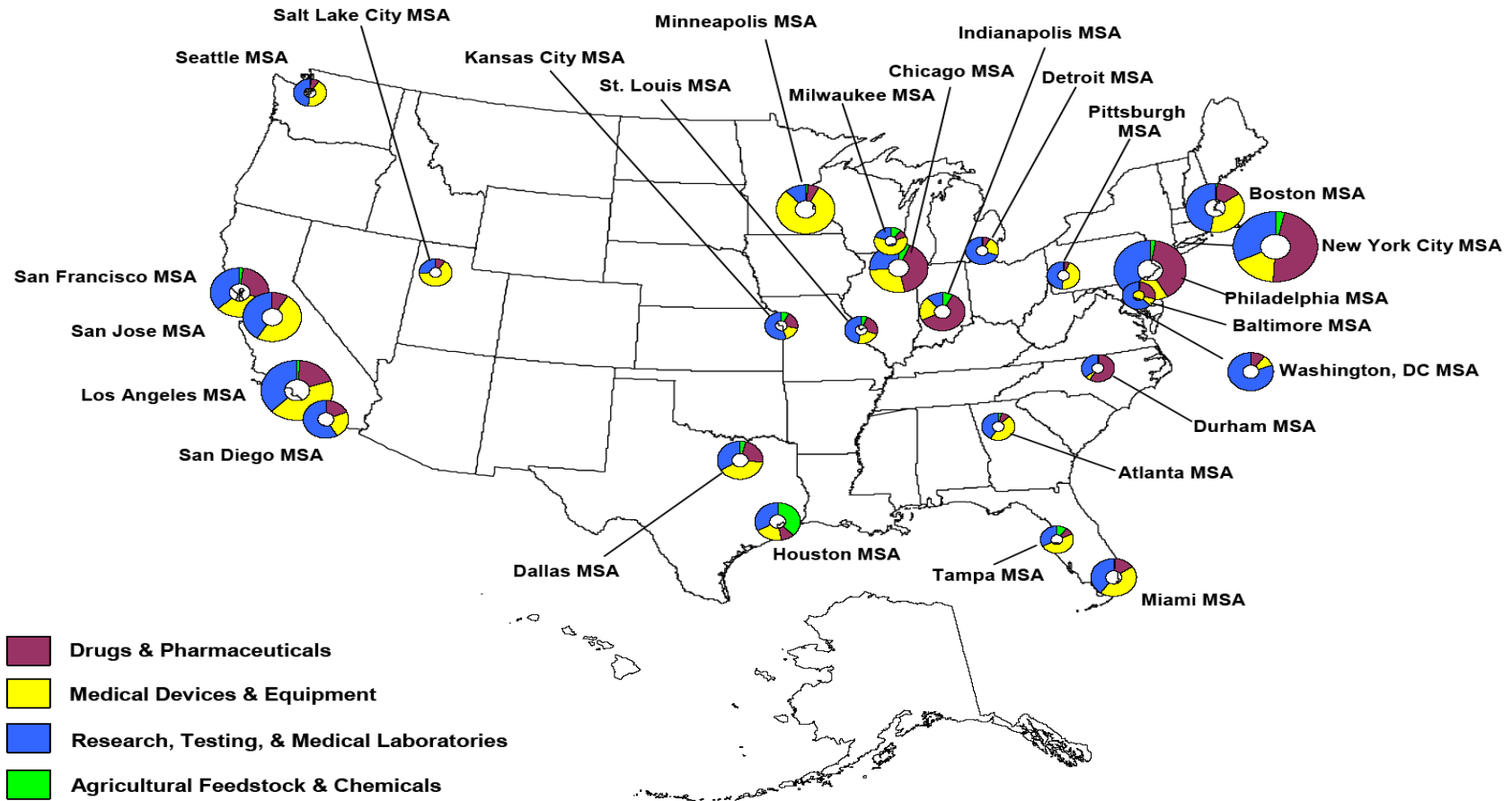
May 2008



BioCrossroads stakeholders, initiatives and Indiana Seed Fund invested companies

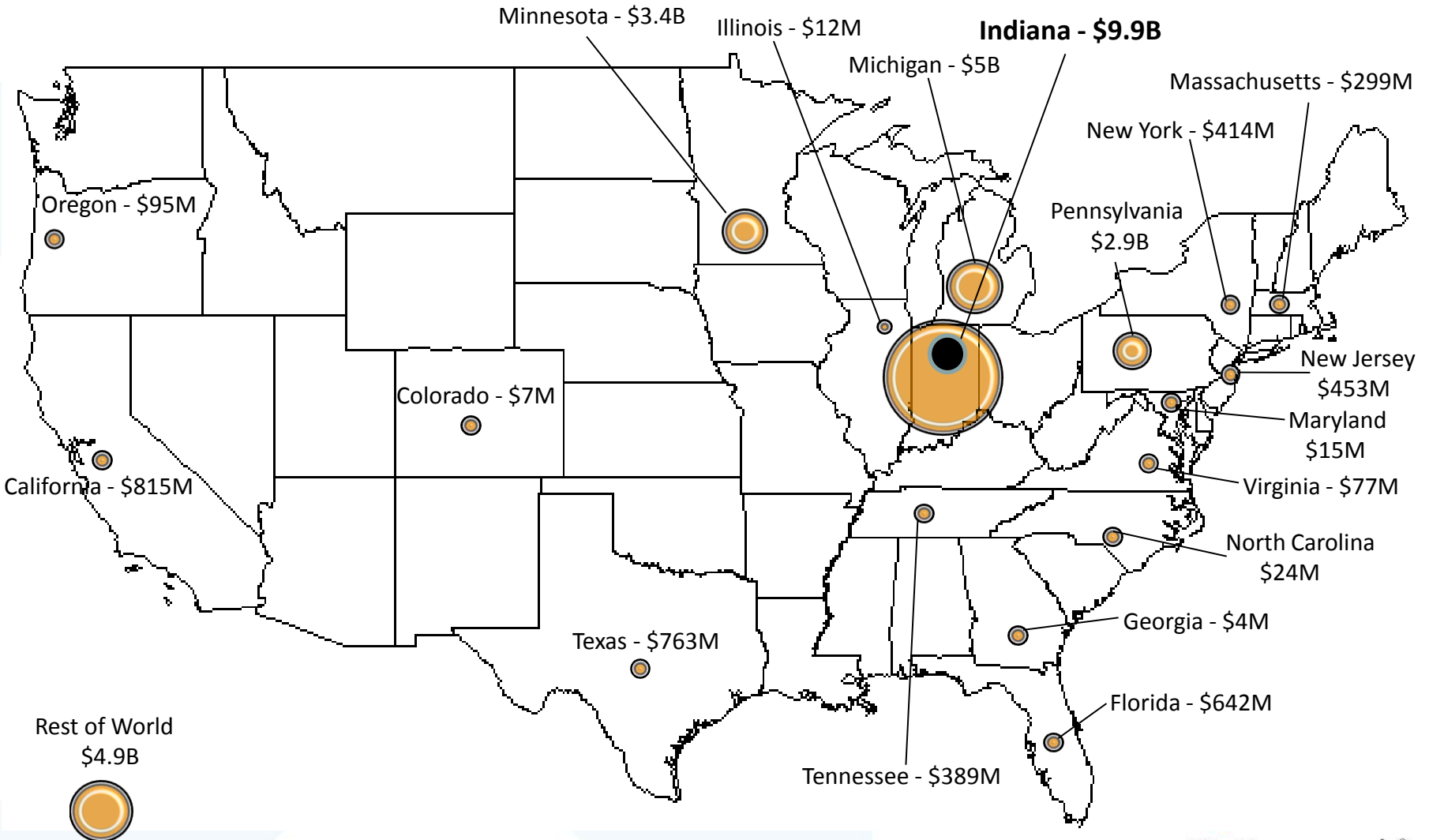


Indianapolis - 9th largest life sciences employment sector in the U.S.



Metro areas with the largest total employment levels (greater than 10,000) in the BioSciences by Major Subsector Composition, 2004. *Battelle "Growing the Nation's Bioscience Sector: A Regional Perspective" 2007*

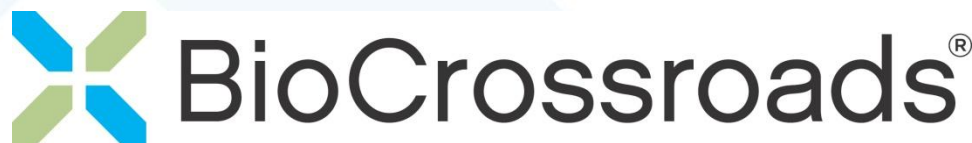
33% of the global orthopedics industry is based in Warsaw



INDIANA'S CHALLENGE 2002:

The future for this industry will be increasingly global, networked and entrepreneurial. How can we embrace this future by building upon our existing, strong base of global – but traditional – life sciences corporations (e.g., Eli Lilly and Company, Cook, Guidant, Roche Diagnostics, Dow AgroSciences, Zimmer, Biomet, DePuy, Covance) and major research universities (IU, IU School of Medicine, Purdue, Notre Dame) with substantial untapped potential for technology transfer and commercialization?

INDIANA'S SOLUTION 2003-2010:

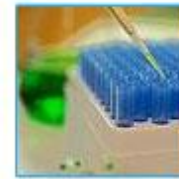


What is BioCrossroads?

BioCrossroads is Indiana's initiative to build on our life sciences strengths

WE INVEST:

By launching and investing in new life sciences enterprises



WE CONNECT:

By partnering with Indiana's life sciences research institutions, corporations, philanthropic organizations and state government to build new opportunities



WE EDUCATE:

By expanding science and math education in grades K-12 and higher learning institutions



WE SPREAD THE WORD:

By marketing Indiana's life sciences industry

How BioCrossroads Works

WE INVEST by organizing and fundraising to build our own venture capital funds to provide money for new companies:

- **Indiana Future Fund** – a **\$73 million** venture capital fund-of-funds (managed by Credit Suisse, with 10 Indiana institutional investors) for early-stage life sciences investments; this fund started things off in 2003
- **INext Fund** – a new **\$58 million** venture capital fund-of-funds (managed by Credit Suisse, with 6 Indiana institutional investors) raised as a follow-on fund to the Indiana Future Fund in 2009
- **Indiana Seed Fund I** – a **\$6 million** “pre-venture” fund (managed by BioCrossroads) since 2005
- **Indiana Enterprise Fund** – a **\$3 million** special purpose (health information technology commercialization) fund managed by BioCrossroads with other strategic investors since 2007

How BioCrossroads Works

WE INVEST by operating our own \$6 million **Indiana Seed Fund** to find, fund and prepare promising new life sciences companies for additional venture capital investment:

- 11 investments to date, ranging from \$250,000 to \$500,000 in therapeutic, device or diagnostic company start-ups
- All companies based in Indiana and coming from university technology transfer
- Return-driven investments made by convertible debt to avoid premature valuation issues
- Goal is venture A round or exit
- Results to date include one A round, three pending A rounds, and one (likely) early exit
- We employ a rigorous diligence process that encourages venture investors to participate early
- We actively manage all investments by taking board seats and setting performance milestones

BioCrossroads' investments bring critical resources to new companies holding high promise for the future of Indiana's economy – and the future of human health

- Since 2003, 14 Indiana-based companies have received investments from the \$73 million **Indiana Future Fund**
- Over \$160 million in outside investments have also been leveraged into these Indiana companies because of Indiana Future Fund commitments
- Five university-related companies have received IFF funding:

 Quadrasonic

 CS-Keys, Inc.

 flowco

 SONARMED

 ENDOCYTE

- The **Indiana Seed Fund** has invested in 11 university-based/technology transfer enterprises including:
 - SonarMed (Purdue), FlowCo (IU), FAST Diagnostics (IU), CS-Keys (IU), ImmuneWorks (IU), Bioscience Vaccines (Notre Dame)
- These companies are advancing important discoveries addressing a range of unmet medical needs in the diagnosis and treatment of lung disease, chronic pain, kidney disease, memory loss, coronary artery disease, epidemic infections and cancer

Beyond our investments, BioCrossroads has now supported more than 250 start-up companies and collaborations

We help these enterprises by –

- Connecting them with industry partners
- Providing basic business planning guidance
- Advising on patent and IP strategies
- Opening connections to sources for further commercial development
- Linking with additional funding sources

How BioCrossroads Works

WE CONNECT by creating and branding new and financially self-sustaining life sciences enterprises:

- **IHIE** – Indiana Health Information Exchange, Inc., a non-profit corporation advancing a national, revenue-based model for the secure sharing of clinical information among healthcare patients, providers and other healthcare entities. **IHIE has recently been recognized for its promise to bring better healthcare through better information through the award of one of 15 highly competitive “Beacon Community” grants (\$16m) from the U.S. Department of Health and Human Services (ONC).**
- **Fairbanks Institute for Healthy Communities** – a non-profit enterprise utilizing Indiana’s vast clinical resources to gather comprehensive patient clinical and biological information for the prediction, prevention and treatment of disease.
- **BioCrossroadsLINX** – a related non-profit organization specifically focused on advancing Indiana's strengths in drug development and manufacturing through educational and workforce development programs and regional collaborations.



BioCrossroads® LINX



How BioCrossroads Works

WE CONNECT by creating and branding new and financially self-sustaining life sciences enterprises:

- Datalys Center for Sports Injury Research & Prevention – a national non-profit providing research and surveillance services to sports and health organizations.
- OrthoWorx – a Warsaw-based, industry, community and educational non-profit initiative to advance and support growth and innovation within northern Indiana's uniquely concentrated, globally significant orthopedics device sector.
- ExibHIT Indiana (Expanding Indiana's Breakthroughs in Health Information Technology) – a branding initiative focused on advancing the development and effective use of HIT within Indiana and across the U.S. To date, and with BioCrossroads' direct facilitation, Indiana and Indiana-based organizations have received over \$50 million in federal ARRA funds to advance Indiana HIT.



WE CONNECT through the BIOCROSSROADS BOARD OF DIRECTORS

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Deborah Tanner

President, Central Laboratory Services, Covance

Sidney Taurel

Chairman Emeritus, Eli Lilly and Company

How BioCrossroads Works

WE EDUCATE through responding to the industry's human capital needs:

- **Talent Recruitment and Retention:**

- To connect young professionals 21-40 years old in the Indianapolis area and facilitate community engagement, BioCrossroads formed **IndyHub** in 2005
- Supported by Eli Lilly and Company, Indy Hub actively participates in recruitment efforts for Lilly and other major companies and helps in the recruitment of scientific and management leadership for start-ups



- **Training and Workforce Development:**

- To respond to training needs -- e.g. developing the Biotech Associate's degree and market-demanded, specialized orthopedics training programs at Ivy Tech

- **Improving K-12 Science and Math Education:**

- To provide the skilled workforce for STEM businesses, in 2006 BioCrossroads formed the **I-STEM** Resource Network
- Working with State of Indiana, educators and industry on specific steps to advance science education reform
- Working with the University of Notre Dame to broaden availability of AP courses in STEM throughout Indiana



How BioCrossroads Works

WE SPREAD THE WORD by building awareness and marketing Indiana's life sciences industry

- BioCrossroads provides the public profile for the life sciences as a leading economic sector in the state of Indiana.
- Representatives are quoted frequently in local and national publications and serve as speakers at regional and national life sciences conferences
- BioCrossroads.com garners more than 230 hits per day and visitors spend more than 3 minutes on the site
- BioCrossroadsLINX.com serves as a national resource for information on Indiana's contract services providers

we connect **we invest** **we educate**

A Catalyst for Life Sciences

BioCrossroads makes connections for Indiana's life sciences companies by partnering with universities and industry. Our venture capital funds accelerate life sciences growth and bring vital support to our entrepreneurs. Our focus on better K-12 science and math education will bring a brighter tomorrow for Hoosier students. Advancing the state's life sciences leadership, BioCrossroads is working to strengthen Indiana's health, economy and future.

Discover how the best ideas find life. BIOCROSSROADS.COM

Supported more than **250** companies and collaborations to date

Raised more than **\$220 million** to build new life sciences opportunities

Partnering with **Indiana** research, philanthropy, business, government and entrepreneurs

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INFUSING INNOVATION

FlowCo has developed the LunexRECON system—a console and catheter-based device that uses electricity to map blood vessels and arterial disease. A breakthrough product in interventional cardiology procedures, FlowCo's device provides a unique way of measuring and positioning life-saving stents to clear blocked arteries.

BioCrossroads aided Dr. Ghassan Kasab, a biomedical engineer and inventor of LunexRECON, in the business planning for taking the product to market, and made the first investment of \$200,000 in FlowCo through the Indiana Seed Fund. This fund invests in promising people, technologies and companies in Indiana.

Discover how we're advancing the life sciences industry in Indiana, and how we can serve as a catalyst for your innovation. Visit www.biocrossroads.com to see how we can bring your idea to life.

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- Provided basic business planning
- Advised on patents/intellectual property strategy
- Helped turn discoveries into business
- Provided connections to further commercialization
- Linked to additional sources of funding
- Provided \$250,000 of seed funding

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AND WE DELIVER: Since 2003, BioCrossroads has --

- Directly raised nearly **one-quarter billion dollars (and counting)** of market capital and philanthropic funding to identify and pursue promising new Indiana life sciences opportunities
- Organized two life sciences venture capital funds – the **Indiana Future Fund** and the **INext Fund** – and organized and actively managed both the **Indiana Seed Fund** and the **Indiana Enterprise Fund**
- Brought venture capital investment from these **four funds** to **24 start-up** Indiana life sciences companies
- Attracted **over \$160 million** of additional outside venture capital to join our Indiana funds and companies
- Formed **8 new sustainable enterprises** (e.g., Fairbanks Institute for Healthy Communities, IHIE, OrthoWorx) to advance signature Indiana life sciences strengths (and resulting so far in a collective total of more than **100 new jobs**)
- Significantly assisted in the attraction of over **3,000 new jobs** in existing life sciences companies expanding or consolidating operations in Indiana
- Elevated Indiana's visibility on the national map of **biotechnology, medical device and healthcare IT centers**