



Tim Jeffcoat, District Director for the SBA, presents the check to the Fannin team

**The Studio
is expanding
by 60%!**

**Open House to come
in November**

Fannin Wins National SBA Growth Accelerator Award

THE U.S. Small Business Administration (SBA) awarded Fannin Innovation Studio \$50,000 as a winner of the agency's third annual Growth Accelerator Fund Competition, a national competition to support efforts to fill gaps in the nation's entrepreneurial ecosystem.

"We appreciate SBA's recognition and support for Fannin's studio approach as the next step in the evolution of the accelerator model," said Atul Varadhachary. "In

life sciences, deep domain expertise and industry relationships must be combined with capital efficiency, given the risks of the sector, and we think the Fannin model is the right model for Houston and other non-cluster areas."

Officials from SBA Houston presented the check on September 15 to the Studio team in a ceremony that was also attended by representatives from the offices of Senator

John Cornyn, Representative John Culberson and City of Houston Councilmember Greg Travis. The event drew coverage from the Houston Chronicle and other media outlets.

Applications for the competition were judged by more than 100 experts with entrepreneurial, investment, venture and academic backgrounds. The Fannin submission was one of 68 winners chosen from an original pool of more than 400 applications from across the U.S. The Studio team submitted a written proposal in the spring, and later wrote, produced and edited a two-minute video as part of the final judging round.

Fannin will use the additional funds to develop training and software tools in support of its fellowship and intern programs, and it will also add additional prototyping and testing equipment to the expanded work area of the Studio.



INDUSTRY EVENTS OF NOTE

Medical Product Outsourcing (MPO) Summit, Austin, October 5-6

Who went? >> Medical device professionals and service providers, with a focus on manufacturing

What did you learn? >> Trends in medical device manufacturing, product economics, ACA issues and local device company capabilities

Xconomy's Texas Disruptors Conference, TMCx - Houston, October 27

Who goes? >> Texas entrepreneurs and investors, including from large and emerging companies and institutions. Atul will be a speaker.

What do you learn? >> In its first year and sponsored by Xconomy, this one-day event will showcase disruptive founders and technologies in biotech, energy, space and IT.

BIO-Europe, Cologne, Germany, Nov 7-9

Who goes? >> 3,500 people from 1,800 companies, a "who's who" in Europe and pharma

What do you learn? >> Major trends in pharma and product development, along with bus dev opportunities via partnering/sublicensing

FEATURED FANNIN TEAM MEMBER

JUNCHEN DIAO, PHD



JUNCHEN SERVES AS A BUSINESS DEVELOPMENT

FELLOW for Fannin Innovation Studio, striving to advance Fannin technologies by forming collaborations, with a focus in China, and actively seeking technologies for commercialization in the Texas Medical Center. He is also heavily involved in organizing networking events for Fannin alumni. Junchen completed his undergraduate study at Wuhan University in China, where he received a Bachelor of Science in Biological Sciences, and received his Ph.D. in Systems Biology from The University of Texas Graduate School of Biomedical

Sciences, UTHealth/M.D. Anderson Cancer Center. Soon

after earning his Ph.D., Junchen established a scientific editing startup to assist physicians and biomedical researchers with publication. He recently completed a six-month internship at Fannin. Junchen is originally from Beijing, China; he is an explorer, meditator and community server. He enjoys hiking, traveling, and meeting new people from all areas.



MD ANDERSON AND UK BIOTECH

Adaptimmune Therapeutics are partnering to develop novel adoptive T-cell cancer therapies. The multi-year deal will work to find targets on solid and hematological cancers, against which to develop affinity enhanced T-cell receptors. MDA will contribute its tumor data and work from its preclinical/clinical teams. ADAP's IPO was in May 2015 after being backed by VC heavyweights NEA and OrbiMed. The 250-employee firm is based in Oxford.

HONG KONG-BASED healthcare firm Golden Meditech Holdings and MD Anderson have jointly created Cellenkos, a start-up focused on umbilical cord blood derived T-regulatory cellular therapies. Based in Houston, Cellenkos will be funded with a \$10 million initial seed round. Golden Meditech and a strategic investor also are receiving warrants to acquire a further \$10 million of equity, giving them 51%. The deal incorporates technology from the MDA labs of Stem Cell Transplantation and Cellular Therapy department Prof. Simrit Parmar.

SEREMEDI raised \$1.7 million from West Coast angels to help develop its software solution Care-Scriptions, used by hospitals for post-discharge patient care. Xconomy's Angela Shah reports that the start-up has more than 200 patients using the system, and sales are targeted to teaching hospitals. Kim Bond Evans, with a software background from Microsoft and BMC, is the founder and CEO of Seremedi, based in the new J-Labs@TMC.

SARANAS, a Houston-based company developing a cardiac sheath for the early detection of internal bleeding in procedures requiring a catheter, closed on additional funding with an A-2 equity round over the spring/summer. Funds will be used to continue device development, seek 510k approval and begin marketing. Michael Magnani is CEO of the GOOSE Society-backed company, with THI's Mehdi Razavi as co-founder.

FUNDING ACTIVITY for Texas medtech companies remains slow but steady, with Irving-based Reata Pharmaceuticals pricing its IPO in May at \$11/share and having it nearly triple to \$30, before settling recently at \$23. Austin-based Lumos Pharma completed a \$34 million Series B, led by Deerfield and joined by Clarus, Roche Venture, NEA, Sante and Belgian pharma UCB.

FANNIN STUDIO UPDATES

- **THE STUDIO** - Fannin has completed a 3,200-square-foot expansion of the Studio, taking over adjacent space from a departing tenant in the 3900 Essex office building. Portfolio company Procyron has expanded to take half of the incremental space, with the remainder used by Fannin in a reconfigured entrance coming right off the elevator lobby.
- **PULMOTECT** - Completed a \$2.4 million Series A round, with the funding to be used for Phase Ib studies and continued development towards a pivotal Phase II trial. The company added Joe Siletto, a Venture Partner with San Diego's Sweetwater Capital as a Director. The company continues to have strategic discussions with potential development partners.
- **ATRAPOS** - The company was awarded a \$227,537 grant by the National Institute of Allergy and Infectious Diseases (NIAID), with Dr. David Corry of Baylor as Principal Investigator (PI), which will be used to test its lead molecule, PM-431, in animal models of allergic asthma to potentially reduce airway hyperresponsiveness.
- **GUIDABOT** - Received a one-year, \$225,000 grant from the National Science Foundation (NSF) to continue its work on a robotic manipulator designed to work within the powerful magnetic field of an MRI machine. Funds will be used for research and prototyping of systems based on GuidaBot's force transmission design and proprietary software. Fannin is partnered with the University of Houston and Professor Nikos Tsekos on development.
- **FELLOWS** - Fannin added five new Fellows over the summer with Dipali Date, Junchen Diao, Michelle Ho, Michael Jenkins and Carrie McAllister joining as full-time members of the Studio team as two-year Fellows. They have all been assigned to various portfolio projects, with additional responsibilities for overall business development, Chinese capital/partner sourcing, Fannin alumni network building and management of the internship program.