

## Challenge No 4: Fund crunch

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### Raising capital is an issue for life sciences companies in APAC



Lack of appropriate funding for early- to mid-stage innovation companies, limited local capital, local grants for small biotechnology firms related to the percentage of GDP spent on research (unlike the support available under the US National Institutes of Health granting schemes) and strings attached to funding are posing tough problems for companies trying to raise capital to run small biotechnology companies involved in research and development.

"Access to capital is an ongoing challenge and government funding support and private capital will continue to be important to raise the much-needed capital for the industry," says Dr Anna Lavelle of AusBiotech ([Read about all 10 challenges for businesses in APAC](#)).

"Many small companies with great ideas have been unsuccessful due to their inability to raise funds needed to navigate the commercial and regulatory loops to take a new medical discovery to market," says Dr Deborah Rathjen, CEO & MD, Bionomics, Australia.

Dr Noel Moore says they were fortunate in Singapore in attracting smart money and to use that foundation to attract government investment. "However, this was a longer process than it should have been due to the novel nature of the technology and the industry. This meant that we had to really search extensively for investors who could not only understand the business model, but also could add value to it. Once we achieved that, the effort was well-rewarded by investors who acted like partners, pushing us towards our goals and supporting us through challenging times," he says.

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