



Venture Capital Funding Quarterly

Biotechnology • Pharmaceuticals Medical Devices

4th Quarter, 2012 – United States

Publisher
[VentureDeal](#)

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Summary

Life Science companies secured \$2.47 billion in venture capital financing during the fourth quarter of 2012, representing an increase of 38% versus the previous quarter. The funding was allocated between 277 companies, a 23% increase versus the previous quarter in the aggregate.

The Biotechnology sector received the most amount of funding, raising \$893 million among 106 companies. The Pharmaceutical sector came in second with \$789 million, representing a 61% increase versus the previous quarter. Medical Device startups received \$780 million between 113 companies, a 15% quarter over quarter increase in amounts funded.

Funding Activity

Biotechnology

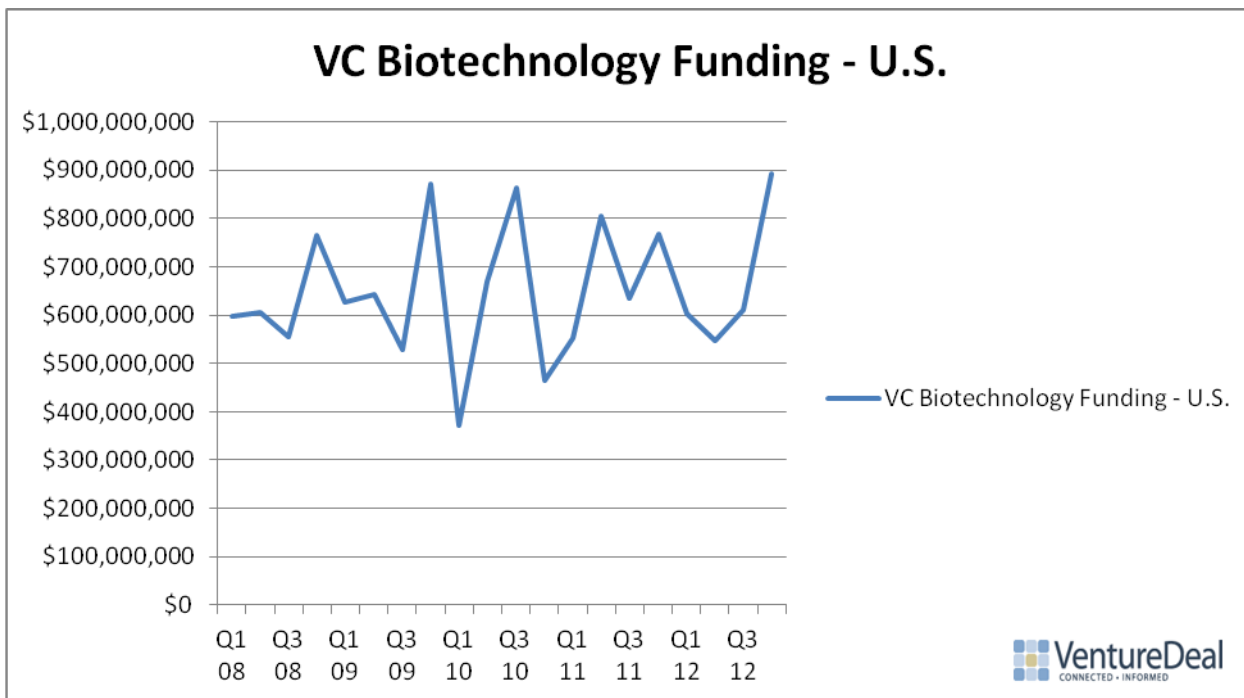
Biotechnology funding amounts continued an upward trend versus the previous quarter, increasing 46% during the quarter. The number of companies funded also increased, by 22% versus the previous quarter.

The largest venture financing during the quarter was for Exton, Pennsylvania-based [Nuron Biotech](#), which received \$80 million from [HealthCare Royalty Partners](#). HRP provides structured financing solutions for the life sciences industry. The company said that funding proceeds would be used to support commercialization of its vaccine for the prevention of Neisseria meningitidis serogroup C and for clinical development of vaccines and treatments for infectious and neurodegenerative diseases.

Corporate investors were active during the quarter. [SR One](#) participated in a \$7.56 million funding round for [High Throughput Genomics](#). HTG is working on a universal molecular biology-based toolset that promise to improve the pharmaceutical drug discovery process.

Small molecule researcher [Calithera Biosciences](#) received \$2 million toward a \$10.7 million round, according to an SEC regulatory filing. The South San Francisco, California-based company is developing novel therapeutic approaches to the treatment of cancer by using small molecules to activate rather than inhibit enzymes.

Chart 1 - Biotechnology Funding



Pharmaceuticals

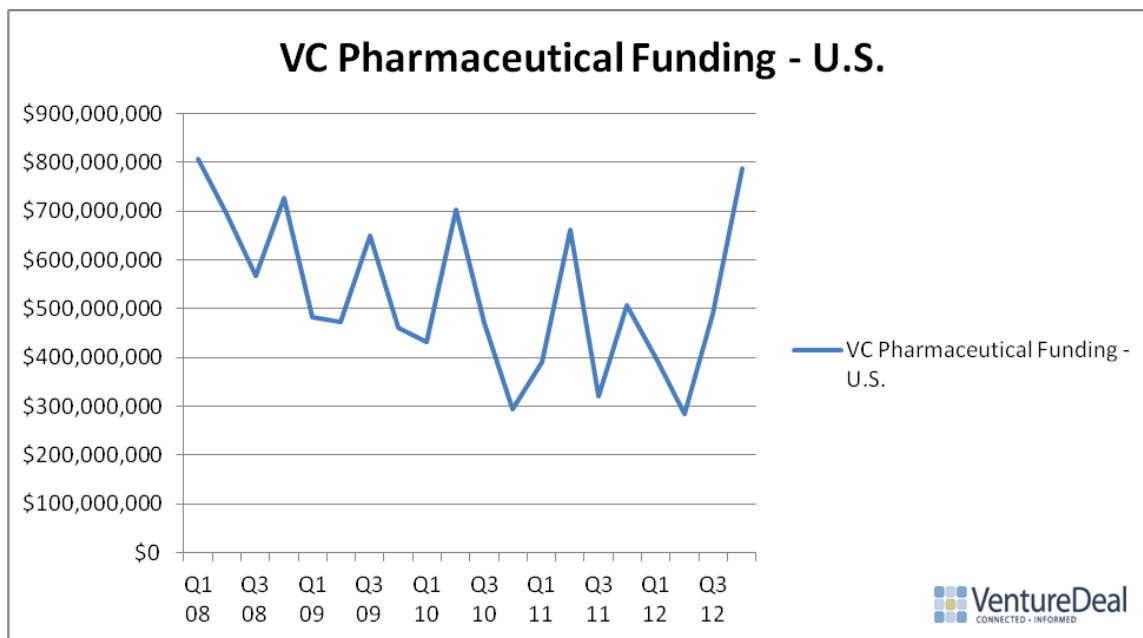
Pharmaceutical fundings increased to \$789 million, representing a 61% increase in amounts funded among the same number of companies versus the previous quarter. The average funding round size was \$13.6 million versus \$12.2 million in the previous quarter, a percentage increase of 1%.

[Intarcia Therapeutics](#) raised the largest financing of the quarter, garnering \$210 million in a venture capital equity and debt round from a syndicate of private equity and venture capital investors. The company is preparing to initiate the global Phase III trial program for its once-yearly, injection-free therapy for the treatment of type II diabetes.

Corporate investor [Novartis](#) participated in a \$7 million early-stage financing round for Cambridge, Massachusetts-based Neurovance (no

website). The company is in stealth mode and is developing treatments for disorders of the central nervous system.

Chart 2 – Pharmaceutical Funding



Medical Devices

Venture capital funding for Medical Device companies increased by 15% in total amounts funded. The number of companies funded increased to 113, a 14% increase versus the previous quarter.

There were 6 disclosed early stage fundings (Seed and Series A), totaling \$3.8 million and which included the following companies:

Cibiem	\$10 million
Avelas Biosciences	\$7.6 million
SynapDx	\$6.0 million
Innovative Trauma Care	\$3.6 million
Restore Medical Solutions	\$2.5 million
Magenta Medical (no website)	\$4 million

The largest financing of the quarter was \$37.3 million for the [CardiaQ Valve Technologies](#) series B round from a syndicate of venture capital and private equity investors. The company said it would use the financing to further validate its TMVI technology through feasibility and CE Mark clinical trials.

In the vision space, Laguna Hills, California-based [Glaukos](#) received \$6 million in venture capital debt financing, according to an SEC regulatory filing. The company is creating "a new class of micro-bypass therapies to achieve sustainable target intraocular pressures through the restoration of physiologic outflow" related to glaucoma management therapies.

Cambridge, Massachusetts-based [Myomo](#) secured \$3.7 million in new venture capital financing during the quarter. Myomo is working on what it calls Neuro-Robotic technologies, which aims to help patients relearn how to move severely weak or partially paralyzed limbs. The company was still seeking an additional \$1.3 million in financing at the time of the filing on 10/12/2012. Proceeds purposes from the financing were not disclosed.

Chart 3 - Medical Device Funding

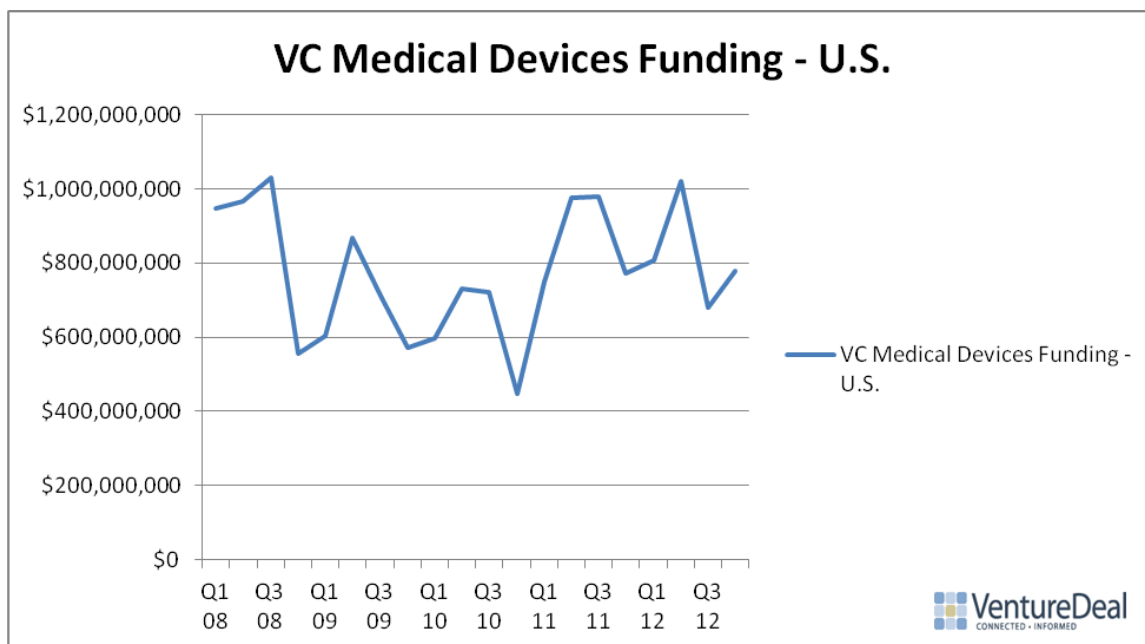


Table 1 - All Sectors

Venture Funding Activity – 4th Quarter 2012

Industry	Total Disclosed Funding	% Change Vs. Prior Quarter	Number of Companies Funded	% Change vs. Prior Quarter
Biotechnology	\$893 million	+ 46%	106	+ 22%
Pharmaceuticals	\$789 million	+ 61%	58	+ 45%
Medical Devices	\$780 million	+ 15%	113	+ 14%
Total	\$2.47 billion	+ 38%	277	+ 23%

Notes

This report was prepared by the staff of VentureDeal, LLC.

The information source used was the VentureDeal.com database. VentureDeal is a curated venture capital database that provides the latest information about venture-backed technology companies, venture capital firms and transactions in the United States.

The database obtains transaction and company information from a wide variety of reputable public and private sources. While this report is free of charge, users may view the individual transactions supporting the totals herein by subscribing to VentureDeal.

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