



Targeted Technology raises more than \$40 million

If there is one area where San Antonio must gain significant ground if it hopes to play with the all-star cities in the bioscience arena, it is venture capital fundraising. In a nutshell, the Alamo City needs more money to retain and recruit additional companies and talent.

At least one San Antonio organization is doing its part to grow the amount of venture capital funding available for early-stage biotech companies. Targeted Technology has closed its second fund, raising more than \$40 million.

“We really started fundraising in earnest in the fall of 2013,” says Targeted Technology Senior Managing Partner Paul Castella, Ph.D., about the second fund. “We closed the fund July 31 of this year.

“It’s significantly larger than the first fund, and most of the money has come from San Antonio,” Castella explains.

Targeted Technology Fund I raised \$12 million in 2009.

Some of the money for the second fund has come from sources in Birmingham, Alabama, where Targeted Technology has investments.

“This area of investing is scarce throughout the entire country,” says Castella about the lack of venture capital funds for early-stage tech companies. “If you have funds dedicated for this (sector), you can attract companies with relatively little investment. The truth is that we have been very good at it. That has allowed us to pick key technologies that are attractive, that fit well with our capabilities and San Antonio’s capabilities, and bring them here.”

Targeted Technology has helped lure companies to San Antonio from multiple states and from outside the U.S. One of the most recent scores is Bluegrass Vascular Technologies Inc. The Lexington, Ky.-based medical technology firm has secured \$4.5 million in new funding. Targeted Technology was a lead investor in that Series A financing round, and now Bluegrass is relocating its operations to the Alamo City.

5 September 2014