



Bioscience company StemBioSys seeking new investor funding

StemBioSys, a San Antonio-based bioscience startup, is looking to raise \$8 million in new Series A investor funding. The company has already secured more than \$3 million of that amount.

Targeted Technology Fund II will likely invest at least \$2 million in StemBioSys, according to the managing partner of the venture fund, Paul Castella, PhD.

“As StemBioSys grows, it’s very likely that it will need significant capital. More than we can provide,” Castella says. “To really knock it out of the park, they may need \$20 million in the next round.”

StemBioSys CEO Peter Savas says the support Targeted Technology Fund provides StemBioSys will help the company attract serious attention from other potential investors as it works to expand stem cell research and strengthen its intellectual property.

Savas was in New York recently and attended a meeting that included CEOs of life sciences companies and representatives from a number of high-profile venture funds.

“What I thought was interesting at the meeting is that everyone agrees the growth of the regenerative medicine sector is coming,” Savas tells me. “Everybody absolutely agrees that San Antonio has assets. I have probably close to a dozen venture funds who now want to understand more about our Series B (funding round).”

One of the major challenges in stem-cell research is that a large quantity and high quality of these cells are needed to pursue novel ways of attacking diseases. StemBioSys has developed a technology platform which isolates and expands populations of high-quality stem cells.

Late last month, I reported that City Council approved a \$200,000 grant that will be distributed through the San Antonio Economic Development Corp. to StemBioSys that will support additional stem cell research, as well as a development and manufacturing partnership between StemBioSys and BioBridge Global, a separate San Antonio entity.

W. Scott Bailey covers health care, tourism, sports business, economic development; he also plans and edits some special reports.