

## New Mexico Bioscience Authority Co-Investment Program Description

The New Mexico Bioscience Authority is pleased to announce a co-investment program to provide the needed investment to new start-up companies in or companies that wish to relocate to New Mexico. A New Mexico company is defined as any Corporation, LLC, or Partnership registered with the Secretary of State of New Mexico.

New Mexico is rich in bioscience expertise. Our national laboratories, research universities, and private sector laboratories file an array of patent applications annually that represent a trove of innovative, cutting edge treatments and technologies. As a result, we are at the precipice of a bioscience industrial revolution. The New Mexico Bioscience Authority (NMBSA) has been charged by the state legislature to help generate avenues to nurture the bioscience industry here in New Mexico. In order to attract the needed capital to grow that industry, we are pleased to announce a **Co-Investment Program** to stimulate investment in new bioscience start-up companies within the state or in bioscience companies that wish to relocate to New Mexico. In order to best promote this program, we will collaborate with other New Mexico based organizations involved in economic development and bioscience industry growth, including the New Mexico Biotechnology & Biomedical Association (NMBio), New Mexico Partnership, the New Mexico Economic Development Department (EDD), municipal Economic Development offices across the state, and other partners to market New Mexico's bioscience industry nationally as well as locally and to work together to help recruit out-of-state firms to New Mexico in addition to helping existing firms with their expansion needs.

We are seeking investment partners including, private investors, private family offices, venture capital or private equity firms, who are actively sourcing deals and who are prepared to enter into an LLC or Limited Partnership with the NMBSA to invest in New Mexico based bioscience companies. Co-investment partners and the NMBSA will share equal governance of the LLC or Limited Partnership. The financial arrangement will be a 2:1 match with the co-investor partner investing two times the amount of the NMBSA. All financial return on investment will be divided proportionately (2:1). Estimated program budget, number of awards and average award size/duration are subject to the availability of funds.

“Bioscience” means the scientific areas represented by life sciences and biotechnology that are included in the five industries recognized by the United States Department of Labor:

- Drugs and pharmaceuticals;
- Medical devices and equipment;
- Research testing and medical laboratories;
- Bioscience-related distribution; and
- Agriculture and chemicals related to bioscience

A New Mexico company is a business with its principle office and a majority of its full-time employees located in New Mexico or, in the case of a limited partnership, a business with its principle place of business and 80% of its assets located in New Mexico.

Since its 2017 legislative initiation, the NMBSA has worked to grow the New Mexico bioscience industry by:

- Creating programs to expand bioscience economic opportunities within New Mexico, including potential means of providing financial assistance and incentives for bioscience industries and facilities
- Promoting the industry through promotional literature, a website and other media to describe the authority's goals and impact
- Actively recruiting industries and establishing programs that will result in the location and relocation of new bioscience industries in the state
- Providing avenues of communication between New Mexico and representatives of bioscience industries
- Advising the governor, the Economic Development Department, the legislature and others on methods, proposals, programs and initiatives that may stimulate investment in bioscience industries and provide additional employment opportunities for New Mexico residents
- Identifying science and technology trends that are significant to bioscience enterprises and act as a clearinghouse for bioscience enterprise issues and information
- Creating programs to expand bioscience economic opportunities with New Mexico, including potential means of providing financial assistance and incentives for bioscience industries and facilities
- Actively recruiting industries and establishing programs that will result in the location and relocation of new bioscience industries in the state

All investment partners will have to make a written response to the evaluation criteria. In addition, the highest scoring organization will be selected to present to the NMBSA board of directors or a subcommittee of the board.

### **Selection Criteria**

Selection will be made by the Board of the New Mexico Bioscience Authority and will be based upon the following criteria.

*Required criteria of the co-investment partner:*

- a) They are qualified to be lead investor;
- b) They are willing to participate in the formation of an LLC with the NMBSA for the purpose of co-investing;
- c) No members of the organization are related to a board member.

*Scored criteria of potential partner used for NMBSA Board of Directors decision making:*

- a) Has experience in sourcing, vetting and investing in companies;
- b) Has investment experience in bio-related industry;

- c) Has existing capital for co-investment and is currently investing in bioscience companies;
- d) Will provide at least one investment opportunity that must be a new company, not further capitalization of the investment partner.

**Submission Evaluation**

Submissions will be selected and evaluated on a rolling basis. The NMBSA intends to invest as opportunities present themselves.