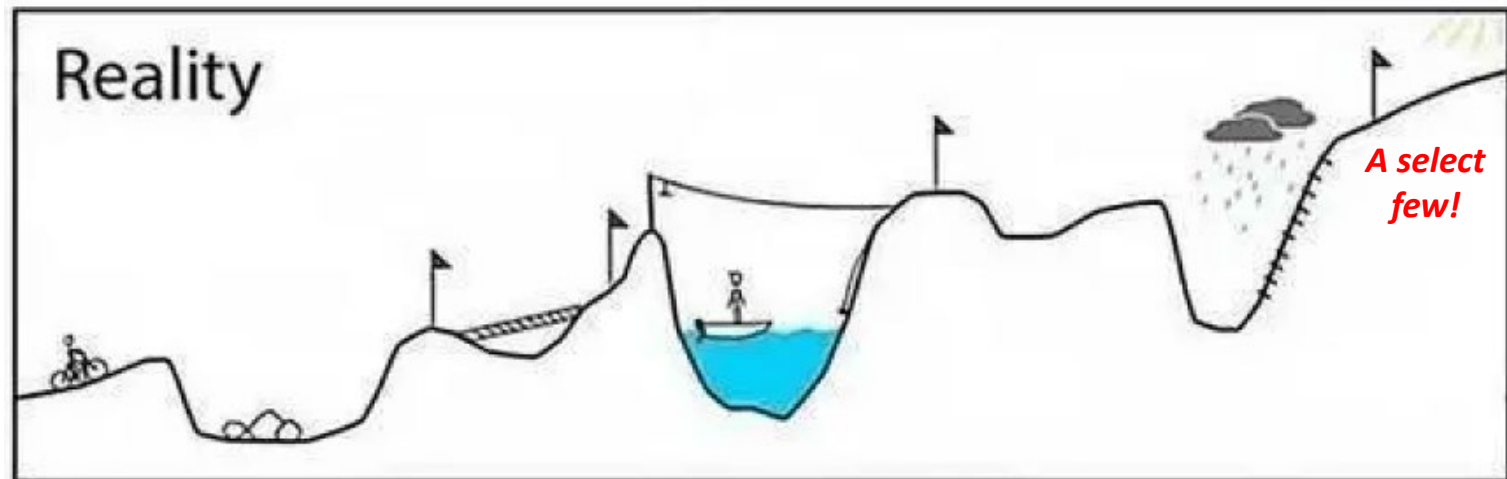
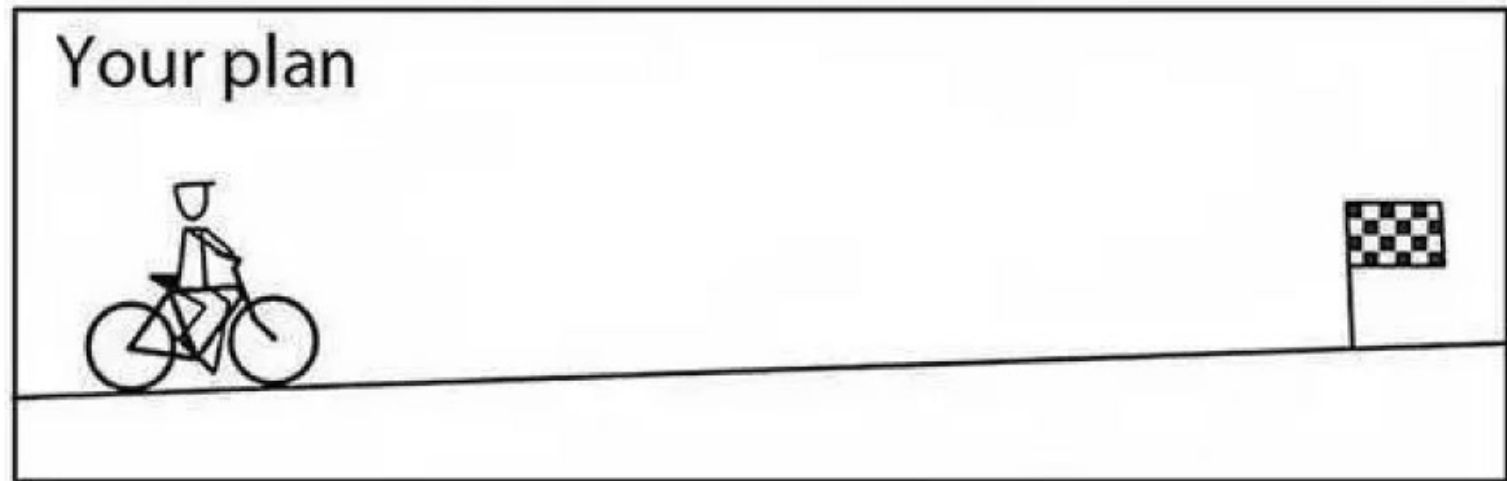


Start-up basics + JPMorgan Chase workshop

12/10/2025

Biotech Journey



Let's raise money for Newco

How much?

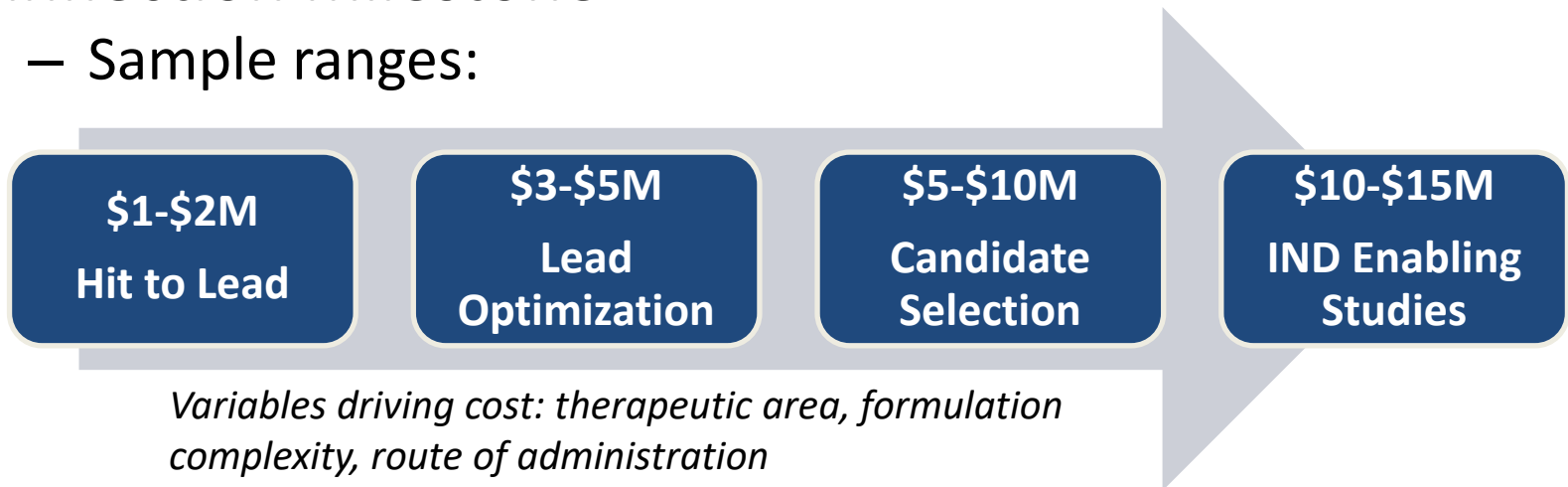
Which
instrument?

At what price?

How do I find
funding?

How much should I raise?

- Amount needed to hit the next major value inflection milestone
 - Sample ranges:



- AI tools provide a good starting point for a budget
- Include:
 - Science + overhead
 - 15-20% contingency

What instrument should I use?



	SAFE	Convertible Note	Priced Equity
Description	Contract converting into equity later	Debt converting into equity later	Investors buy equity now
Value now	No	No	Yes
Debt?	No	Yes	No
Speed/legal cost	Fastest, Cheapest	Fast, Cheap but more negotiation	Slowest, most expensive
Best for	Earliest capital	Early capital with more investor control	Institutional rounds (Seed + Series A)

How do I value my company?

(Necessary only in a priced equity round)

- Ultimately lead investor determines
 - Targets ownership post close – ex. ~20% for seed round investors
 - Considerations:
 - Quality of target + mechanism
 - Strength of in-vivo / translational data
 - Competitive landscape & IP barriers
 - Development plan clarity
 - Comparable financings
 - Probability team can deliver

Example:

\$2M raised / 20%
ownership
= \$10M valuation
*(post-money = after
investment)*

- Company can propose/negotiate based on PitchBook data, recent deals, and strength of dataset
 - Example: Median Midwest oncology seed round pre-money valuation = \$8 M

What type of funding should I pursue?

Pre-Seed	Seed	Series A <i>(Preclinical – IND enabling)</i>
<ul style="list-style-type: none">• Founders• Angels• Friends/Family• University Venture Funds• NIH SBIR grants• Accelerators	<ul style="list-style-type: none">• Some venture capital funds• Angel syndicates• Family offices• Corporate incubators• NIH SBIR grants	<ul style="list-style-type: none">• Institutional venture capital funds• Corporate venture funds• Disease foundations• Family offices

How do I find investors?

Dive deep - extensive research

- Use PitchBook and AI tools to generate lists
 - Crunchbase, websites, and **many, many** conversations to evaluate
 - Confirm: early-stage investor with cash interested in your therapeutic area
- Monitor press releases and industry newsletters – Fierce Biotech/Pharma, Endpoint News, LifeSci Startup - who recently closed a fund? Who closed a round?
- Mine your competitor company websites – who are their investors?

Network, network, network

- Use **everyone** in your network - Advisors, other founders, friends, LinkedIn connections
- Ask for warm intros
- Conferences can help but partnering platforms are low-yield for early-stage companies

Tip: Create a tracking database

- Track everything – especially feedback - look for trends and modify messaging
- Revisit investors with new data based on feedback



Warning – There are no shortcuts and a LOT of rejection

Company Formation Building Blocks



Prepares the company to finalize intellectual property rights, raise initial capital, and begin operations

- Many versions online
- Sample will be provided with material

Corporate Formation & Governance



How do you legally form the company and establish control structures?

Task	Considerations/Tools
Select corporate counsel	Local (<i>Faegre, Ice Miller, Taft</i>) vs Larger (<i>Cooley, Wilson Sonsini, Goodwin</i>)
Choose entity type	C Corp most common
File Articles & Bylaws (<i>Delaware</i>)	Corporate counsel
Appoint directors/officers - establish signature authority	Corporate counsel
Hire registered agent	CT Corporation
Secure basic insurance	Ex. Marsh McLennon agency

Finance and Controls



How do you build a compliant, auditable financial system from day one?

Task	Sample tools
Banking setup	JPMorgan Chase life science program
Accounting system	Quickbooks
Basic policies (<i>cash management, expense, etc.</i>)	AI tools, ask other start-ups
Finance calendar (<i>all key due dates</i>)	Excel, Outlook
Record retention	SharePoint, Box, etc.

HR, Payroll and People



How do you staff and manage people without creating legal or administrative risk?

Task	Sample tools
Decide employee vs contractors	IRS and DOL guidelines
Register with the state	Online portals
Select payroll/benefits provider	PEO (<i>Professional Employer Organization</i>) versus in-house
Create employment or consulting agreements	AI tools + outsourced corporate counsel
Create HR policies & handbook (<i>if hiring employees</i>)	AI tools, ask other start-ups

Tip: Start lean and flexible until financing secured

Operational and Branding Setup



What systems and processes are required for the company to function day-to-day and present a professional image?

Task	Sample tools
Office/facility setup	IBRI, sponsored research agreements, CROs (<i>outsourced vendors</i>)
IT basics (<i>email, sharepoint, website</i>)	IT: Microsoft, Go Daddy, BlackInk Website: Aero
Logo and brand	Online designers or via website

Tip: Stay virtual/use shared space as long as possible

Contracts and Legal



How do you manage agreements and control legal workflow?

Task	Sample tools
Standard templates: <ul style="list-style-type: none">• NDAs (<i>non-disclosure agreements</i>)• <i>Consulting agreements</i>• <i>Service agreements</i>	AI tools, ask other start-ups, corporate counsel
Contract tracking	Excel or software (<i>PandaDoc, ContractWorks, etc. – paid</i>)

Tip: Track everything from day one

Ownership and Investor Readiness



How do you prepare for investors and maintain compliance?

Task	Sample tools
Establish founder equity and vesting	Varies with number of founders and relative contribution
Establish option pool	~10-20% pre-Series A
Model cap table	Excel (free), Carta
Data room	SecureDocs, Box