

CASE STUDY 9: MEDICAL RESEARCH COMMERCIALISATION FUND

The Medical Research Commercialisation Fund (MRCF) plays an invaluable role helping research organisations fulfil their mandate of translating first class research into improved health outcomes. Investment by the Victorian Government to set up the Fund helped bring capital and expertise in commercialisation to the State, raising commercialisation capability within research organisations as well as driving capital into the sector.

IDENTIFIED PROBLEM/GAP

The MRCF was created to help research organisations fulfil their fundamental mandate of translating first class research into improved health outcomes and recognised that while Victoria was a leader in health and medical research, the sector often did not have the capital or expertise to translate research into successful start-ups. The Fund was set up to provide research institutes in Victoria with:

- Ready access to proof of concept capability, investment funding and expertise.
- A structured and collaborative investment process to commercialise intellectual property.
- Training and exposure to the commercialisation process.

OVERVIEW OF THE INVESTMENT

The MRCF was established in 2007 with an initial grant from the Victorian Government of \$1.2 million. To 2020, the Victorian Government has provided \$8.4 million in grants to the MRCF.

IMPACT

The MRCF is the largest life science investment fund in Australia and New Zealand. It has been successful in increasing access to capital, maturing the sector, creating jobs, and advancing biotechnology companies further along the value creation chain. It now has more than 50 members, with the largest proportion based in Victoria.

To date, the majority of MRCF's investments have been in Victoria. To 2020, the Victorian Government has provided \$8.4 million in grants to the MRCF, leading to \$379.9 million in total funding in Victorian companies from MRCF investment, syndicate investment and non-dilutive funding. This means that for every \$1 invested by the Victorian Government in supporting the MRCF, \$45 has been invested in Victorian life science companies

MRCF has also played a role in improving commercialisation capability within research organisations, which traditional investment firms would not support. It hosts commercialisation training workshops for member institutes and government agencies. It also runs an internship program, providing 10-12 interns from member institutes each year with training and exposure to venture capital investment. The Fund also offers subsidised offices in the MRCF Melbourne offices for early-stage portfolio companies.

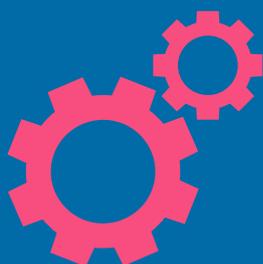


IMAGE CREDIT: MEDICAL RESEARCH COMMERCIALISATION FUND



The MRCF now has
**MORE THAN
50 MEMBERS**

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To date, **MRCF has supported the establishment of around 25 new biotechnology companies in Victoria**, which are generating value and improving health outcomes for Victorians. These include:

- Fibrotech's development of novel drug candidates for the treatment of the fibrosis prevalent in chronic kidney disease, chronic heart failure, pulmonary fibrosis and arthritis. This research was undertaken within the Bio21 Institute.
- Denteric's development of vaccines to treat and prevent severe periodontal disease and its complications, based on research conducted at the University of Melbourne.
- PolyActiva's development of ocular implants that provide controlled delivery of drugs to both the front and back of the eye.
- Certa Therapeutics' novel drugs which block a receptor that is a key driver of scarring of the kidney.
- Global Kinetics Corporation's development of a wrist device that records Parkinson's symptoms and reminds a patient when to take their Parkinson's disease medication as prescribed by their doctor. The device was developed by the Florey Institute of Neuroscience and Mental Health.
- Osprey Medical's development of a novel cardiovascular device that reduces contrast dye reaching kidneys to make angiography safer for Chronic Kidney Disease patients. The company's core technologies originated from research conducted at Melbourne's Baker Institute.