

# WE ARE BIONATION.

SOLVING FOR TODAY. BUILDING FOR TOMORROW

## Over the past five years Canada's biotechnology sector has been one of our top economic success stories.

Together we have created good quality jobs, helped make Canada a leading destination for foreign investment and pumped billions of dollars into our economy.

We are developing solutions for better outcomes in agriculture, environmental sustainability and resource management, health, and manufacturing.

Canada's biotech sector has been at the forefront of the race to defeat COVID-19 and will be a critical building block of our economic recovery.

## HISTORIC GROWTH

The sector is experiencing unprecedented growth:



# 121%

increase in number of venture capital deals



# 300%

increase in venture capital dollars invested

*\*between 2013-2019*

## COVID-19 RESPONSE

The biotechnology community is leading the way on three fronts: diagnostics (testing), therapeutics (treatment), and developing a vaccine to reduce the spread of the virus. In Canada, companies and labs identified for support under the Government of Canada's national medical research strategy are working relentlessly on vaccine and therapy clinical trials. These innovations are vital to ensuring Canada remains able to address future pandemics and public health emergencies.



DIAGNOSTICS



THERAPEUTICS



DEVELOPMENT

## WE ARE BIONATION

With approximately 900 innovative biotechnology companies located in Canada feeding a national network of discovery and development, the sector is a catalyst for long-term economic growth in all regions of the country and will help drive opportunities in big data, genomic applications and artificial intelligence.

The BIONATION network includes our world-class universities and research institutes, start-ups, small and medium enterprises, and large multinational corporations. There is a vibrant pan-Canadian biotechnology ecosystem with clusters located in every province, from the Quebec Ontario Life Sciences community to AdMare BioInnovations in British Columbia to AgWest Bio in Saskatchewan to PEI BioAlliance.

A healthy bioeconomy means increased economic growth, high-skilled jobs, more effective healthcare spending, improved productivity, and globally competitive leadership in research commercialization. Biotechnology is supporting the transformation of foundational Canadian industries like mining, forestry, oil and gas, and agriculture. It is opening new markets, promoting sustainability in resource management, advancing manufacturing technologies, and is central to Canada's fast-growing cleantech and agri-food sectors.



# 900+

innovative biotechnology companies in Canada



## RIISING TO THE CHALLENGE

Canadian governments have enacted science, technology, and innovation policies that have created a well-educated population, successfully supported fundamental science, and provided broad-based indirect support through tax incentives. Our depth of research talent paired with welcoming, livable communities has drawn investors to create and fund drug-development companies.

However, study after study has shown that Canada has not kept pace with competitors in transforming itself into an innovation leader – we excel at scientific research, but struggle to commercialize and scale up.

## AMBITIOUS TARGETS

Canada's Health/Bio-sciences Economic Strategy Table (HBEST) released recommendations in 2018 to accelerate the pace of commercialization to ensure a sustainable, globally competitive health ecosystem with a robust innovation economy and improved health outcomes. While not exclusive to biotechnology, the HBEST had strong representation from the sector and established targets for 2025 that will carry us in the right direction:



**2x**

health and  
bioscience firms



**2x**

high-growth  
firms



**\$26B**

Annual exports  
(double)

## A DEDICATED LIFE SCIENCES FUND FOR CANADA

Our biotechnology sector's greatest hurdle is attracting investment. While there is a strong venture capital market, companies need more funding. We believe the solution is creating a national, dedicated life sciences fund in Canada to support the venture capital market, early stage growth, and incubator organizations accelerating the next wave of companies so that they can mature and compete globally. The government must be a key player in this fund for it to be truly successful.

Our proposed **Life Sciences Capital Catalyst Initiative (LS-VCCI)** will help biotech companies scale and grow into anchor companies that remain in Canada.

- The Government of Canada's \$500 million investment will leverage \$1 billion in private capital
- Totalling \$1.5 billion of accessible capital over the next three years, to build on our growing momentum
- The U.K., Israel, the European Union, Korea and others have established public/private funds to attract biotech investment

**\$500M**

Government



**\$1B**

Private sector

**= \$1.5B FOR NEXT 3 YEARS**



**FINANCE**

**GROW**

**CREATE**

The time for co-investment of this kind has never been better. There are three features to the fund designed to meet the long-term needs of the sector, fuel economic growth, and maximize returns for the federal government:

1. **Finance seed and early-stage funding vehicles:** These vehicles will support company creation and early-stage growth of innovations/companies emerging from Canada's leading academic institutions.
2. **Grow Canadian venture capital fund capacity:** Strengthen and grow the Canadian VC investment pool by facilitating the collaboration of Canadian VC firms and attracting investment from larger investors inside and outside of Canada.
3. **Create Canadian-based anchor companies:** Provide later stage companies (private or public) access to investment capital to support their ability to grow in Canada and ultimately mature into domestic anchor companies.

## OUR MOMENT IS NOW

With the bioeconomy comprising an estimated one third of the world's total economy, biotechnology represents a massive economic opportunity that Canada cannot afford to miss.

Through industry-government partnership we can accelerate the advancement of our biotechnology innovation to bring high value, next-generation agricultural, health and industrial products to the world and enable the economy and healthcare system to get an early jump on recovery.

**Our moment is now. Let us work together to build a better stronger Canada.**

**TO LEARN MORE, VISIT [WWW.BIONATION.CA](http://WWW.BIONATION.CA)**

## About BIOTECCanada



BIOTECCanada is the national industry association with over 200 members located nation wide, reflecting the diverse nature of Canada's health, industrial and agricultural biotechnology sectors. In addition to providing significant health benefits for Canadians, the biotechnology industry has quickly become an essential part of the transformation of many traditional cornerstones of the Canadian economy including manufacturing, automotive, energy, aerospace and forestry industries.