

SA biotech looks to expand its products through 2019

San Antonio-based StemBioSys Inc., which develops and manufactures advanced stem cell technologies for researchers in regenerative medicine, added four cell products to its portfolio in recent months, taking its inventory to seven products. Its plan for 2019 is far more ambitious, as CEO Bob Hutchens told the business journal in an exclusive interview that the company expects to develop and market nine additional cell products this year.

That's a far cry from where StemBioSys was when it launched in 2010 — or when Hutchens became CEO in 2014.

"In November 2017, we had one product," Hutchens said.

By 2020, StemBioSys expects to have 16 products on the market, and potential investors are taking note.

"There is a high-level interest," Hutchens said. "We can meet with anyone we want to now. It doesn't mean they are going to write a check. But it means they are at least interested in the technology."

StemBioSys has built relationships with nearly a half-dozen New York banks. It's also pursuing more collaborative opportunities with potential partners. Hutchens said StemBioSys is in discussions about a deal that arose from one its banking relationships and could be finalized in a few weeks.

"It would involve access to markets," Hutchens said.

Such opportunities for growth spur a need for more capital to add talent and infrastructure. StemBioSys plans to launch a Series C funding round in February with an initial goal of \$3 million, and the company could raise twice that amount.

However, mixed with optimism is a realization among StemBioSys leaders that some factors that could affect business are of their hands. The United Kingdom's intention to leave the European Union, for example, could affect part of StemBioSys' distribution network.

"We have a great distributor in the U.K. Our concern is how BREXIT could impact them," Hutchens said.

But even that distraction hasn't tempered expectations.

"There has been a lot of recognition of what we have done and of what our plans are for 2019," Hutchens said. "This is a different company than what it was 18 months ago. We are beginning to mature. We have a clear vision for where we are going."

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