

Lab | Central

IMPACT REPORT

2017

2017

BY THE NUMBERS

78

Companies Served Since 2014

37

Alumni Companies by Year's End

\$2,015,429,000

in Funding Raised Since 2014

\$760,215,000

in 2017 Funding Raised

63

Net Promoter Score

392

Patents Filed Since 2014

69

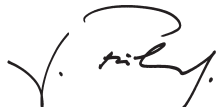
Patents Granted Since 2014

Dear Friends,

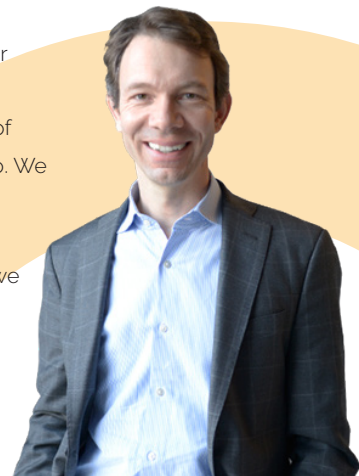
In 2017, we saw the grand opening of our second and third floors, expanding our facility at 700 Main from 28,000 to 70,000 square feet, providing homes to 40 more early-stage biotech startups. This expansion included the addition of the LabCentral Learning Lab, powered by New England Biolabs™ and home to the BioBuilder Foundation. In December we also launched LabCentral 610, a 33,000 square-foot facility just steps away from our main campus, capable of supporting six early- to mid-stage companies. LabCentral also collaborated with MIT's The Engine to expand the biotech innovation sphere further into Central Square and support the growth of "tough tech" disruptors in their makerspace and prototyping lab. All of this growth has allowed us to serve more companies at various stages and in a broader set of fields.

We would like to thank our generous sponsors and the team at LabCentral for their role in this success as we are celebrating the growth of our community of resident companies. We invite you to visit! Come see our newly expanded space, join one of our many social, community, and networking events, or simply stop by to say hello. We look forward to seeing you.

We are pleased to share the results of our incredible progression and the impact we are having on the economy and innovation ecosystem in this 2017 Impact Report.



Johannes Fruehauf, MD, PhD
Cofounder & President

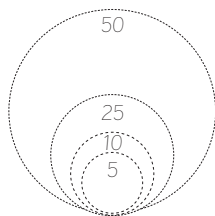


COMPANY SNAPSHOTS

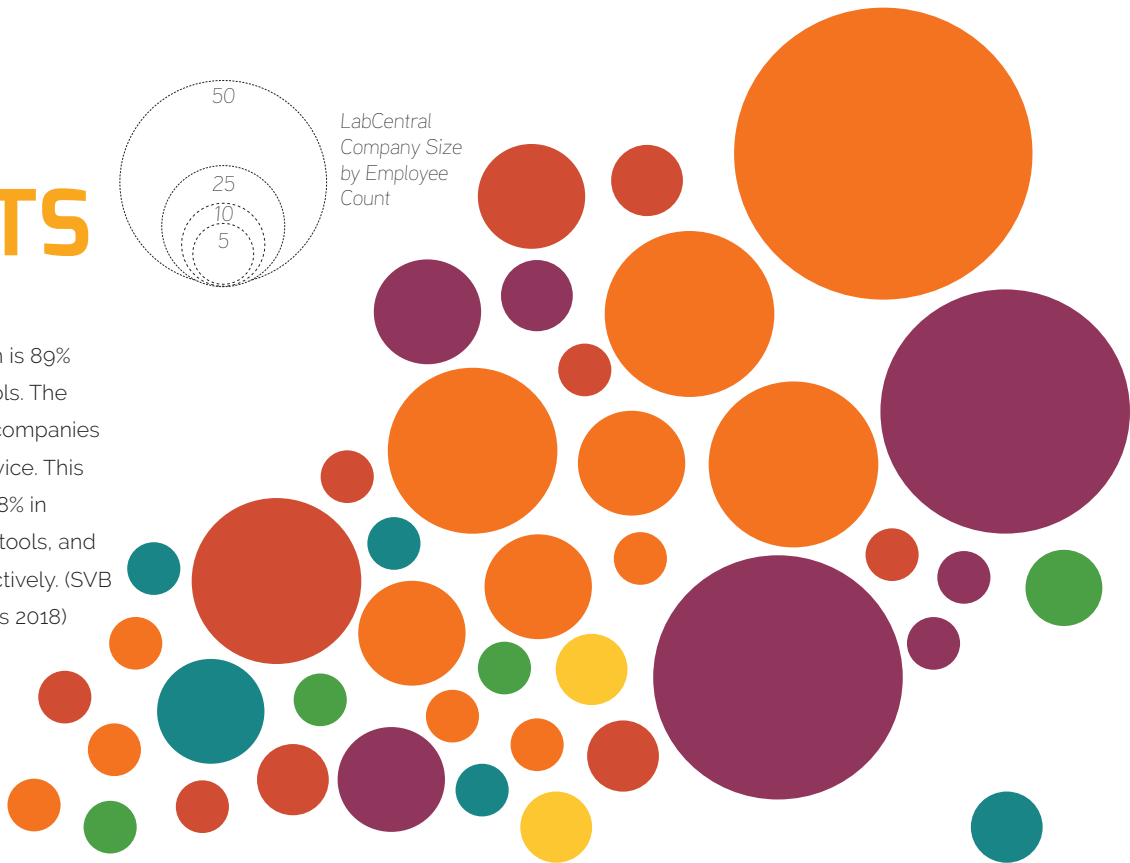
PROGRESS & SIZE

LabCentral's resident company population is 89% biopharma and 11% device/diagnostic/tools. The 2017 funding mix for resident and alumni companies broke down to 94% biopharma and 6% device. This compares to the national funding mix of 68% in biopharma and 32% in device/diagnostic/tools, and Massachusetts mix of 76% and 24% respectively. (SVB Trends in Healthcare Investments and Exits 2018)

- Small Molecule Therapeutic
- Medical Device
- Biologic Therapeutic
- Cell Therapy
- Diagnostic
- Synthetic Biology



LabCentral
Company Size
by Employee
Count



Discovery

Validation

Assay
Development

Lead
Generation

Pre-clinical
Development

Phase I

Phase 2

FUELING THE BIO-ECONOMY

Massachusetts at the center stage

Drawing their talent from esteemed Massachusetts institutions such as Massachusetts General Hospital, Brigham and Women's Hospital, Harvard, and MIT, LabCentral residents and alumni have been a powerhouse source of job creation. In the past year alone, our companies created a total of **515 new jobs**. LabCentral itself added nine jobs in 2017, growing our team by 50%, and bringing **the job creation total since our opening to 1,197**.

The number of licensing agreements signed in 2017 by resident and alumni companies

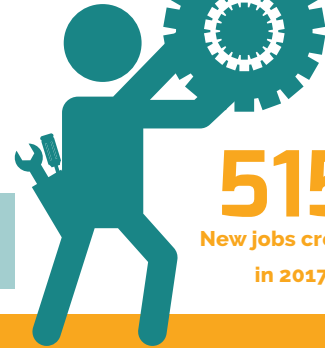
12

31

The number of partnerships formed between LabCentral companies and industry giants

515

New jobs created in 2017



\$26.75
MILLION

The median early-stage VC deal for LabCentral residents and alumni in 2017. This is \$750,000 more than the median early-stage deal in pharma and biotech in the greater Boston area.

Source: Pitchbook Venture Ecosystem
Factbook: Boston



SOURCES OF FUNDING

- 77% Venture Capital
- 7% Corporate Partnerships
- 10% Licensing & Other Revenue
- >1% Angel
- 4% Grants
- >1% Self-Funded

Total of national Series A (\$M)
in biopharma

LabCentral resident and alumni
total series A funding (\$M)

% of U.S. Series A biopharma
investment in LabCentral resident
and alumni companies

2016

\$2334

5%

2017

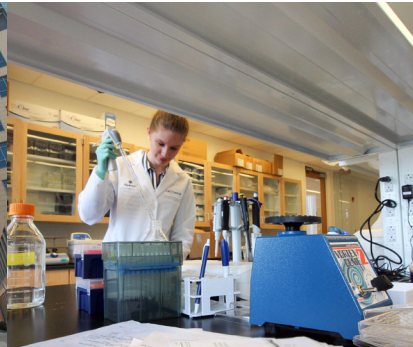
\$2787

\$107.8

10%

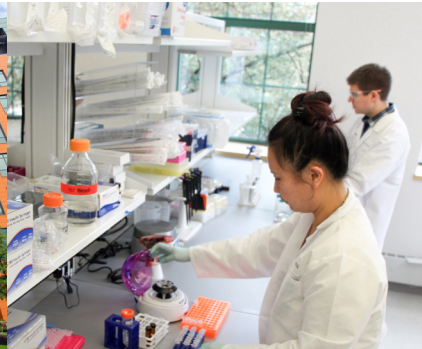
Source: SVB Trends in Healthcare
Investments and Exits 2018

LabCentral resident and alumni companies continue to grow their businesses through local, national and international funding. In 2017, they raised an additional **\$760 million**, bringing the total raised since our opening in 2014 to more than **\$2 billion**. Much like the rest of the biopharma industry, we have seen an increase in deal size in 2017. In fact, the 2017 resident and alumni company Series A total made up **more than 10% of the National Series A biopharma total**. With the exception of 2016, LabCentral resident and alumni deals have been measurably larger than industry averages. For early-stage funding alone, the median deal by LabCentral resident and alumni companies was \$26.75 million, 3% (\$750,000) more in 2017 than the industry median for early-stage deals.



AN EVER-EXPANDING NETWORK

Celebrating our alumni companies



\$1 B
closed by alumni
in venture capital
since 2014

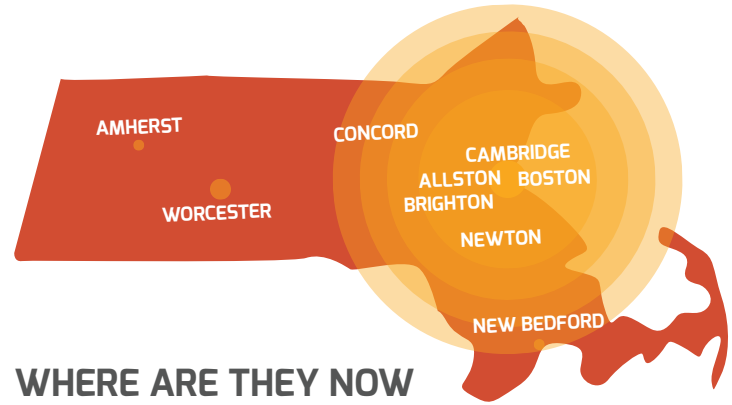
In 2017, LabCentral at 700 Main was the proud alma mater of 37 alumni ventures. Alumni companies were active in the clinic and 51% have successfully closed Series A rounds. We are pleased to announce that four of our alumni reside at LabCentral 610, a space built for mid-stage teams.

63



NPS

The net promoter score (NPS) is a proven business metric that reflects the likelihood of customers to recommend a brand to colleagues and friends. The NPS scale operates on a -100 to +100 scale. Our NPS score of 63 places LabCentral among top performing brands such as Tesla, Netflix, and Amazon.



WHERE ARE THEY NOW

Companies stay with LabCentral for an average of 18 months as they mature. Throughout this process they receive support from LabCentral staff and sponsors in transitioning to their own space. Post “graduation,” LabCentral alumni are choosing to stay in the Cambridge/Boston area, with 90% within just five miles of LabCentral. Many of our alumni companies are moving into similar shared facilities, indicating they recognize the benefit and efficiency of coworking in building their business.

217 K

The total square footage in the greater Boston area that LabCentral alumni occupy

6%

The percentage of LabCentral companies that are conducting clinical trials

10

The number of licensing agreements developed and signed for alumni and resident company technology in 2017

7

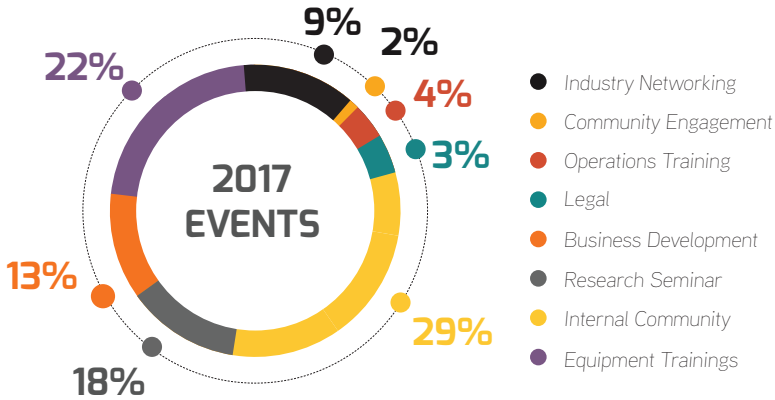
The number of our alumni and resident companies that have closed Series B funding

ACCELERATING SUCCESS

Providing support and making connections

In 2017, LabCentral partnered with Jaggaer to design our new procurement platform, internally branded **The Stork** (*delivering life-science*). Our procurement team caters to the needs of each individual resident company and The Stork allows us to do this with ease. We built a one-stop platform allowing our residents to shop from any vendor of their choosing. Our purchasing and accounting team manages all transactions (**more than 15,000 orders in 2017**) from processing orders to paying invoices, allowing our residents to spend more time in the lab and less time tracking orders.





LabCentral prides itself in building a sense of community. We believe that fostering camaraderie and promoting scientific collaboration are an essential part of how we accomplish our mission. This year, LabCentral hosted **164 events** and welcomed **8,292 unique visitors**.

We rely on local sponsors to help us present engaging, thoughtful, and relevant programming. This is true for our residents, but also for the Kendall Square and biotech communities at large. Programming topics ranged from technical seminars and presentations of trending research to social mixers and local artist receptions.

32

The number of delegations we welcomed from abroad to visit our facility. In 2017 we hosted guests from every habitable continent on Earth!

8,292

The number of unique visitors to LabCentral in 2017

The number of artists that displayed their work at Gallery 1832

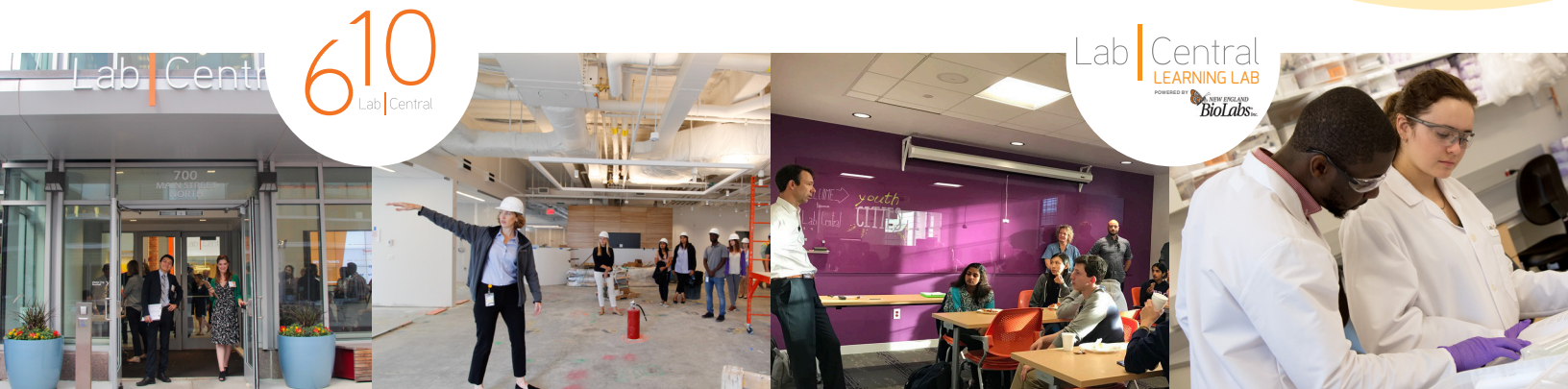
7

WHAT'S NEW

Collaborative partnerships and growth

When LabCentral first opened, our goal was to anticipate the needs and roadblocks for entrepreneurs, helping them find the smoothest possible path to growth. Now, in our fourth year, we are proud to have not just met, but exceeded this goal. LabCentral is dedicated to serving the needs of the earliest-stage life-science companies, but as we've grown, so have our residents. **LabCentral 610** was born in response to discussions with resident teams who outgrew or "aged out" of our home base. It is a purpose-designed facility for these next-stage companies.

For years we have been looking to expand our offerings for the local neighborhoods in addition to finding powerful ways to engage with the future generations of innovators. In 2017, we built the **The LabCentral Learning Lab**, powered by **New England Biolabs™**, and home to the **BioBuilder Educational Foundation**. It is here, within our vibrant facility, that we are able to do work with academic and community partners to offer a state-of-the-art educational science experience. Since a soft opening in August of 2017, the LabCentral Learning Lab has hosted **137 students and trainees**.



We continued our partnership with the **Pagliuca Harvard Life Lab** and were excited to see the Harvard student, alumni, faculty, and post-doc ventures thrive and flourish into a community of their own. Since opening in late 2016, **18 high-potential** biotech and life sciences start-ups have moved into the **15,000 square-foot facility**, which is projected to be at full capacity in early 2018. The Pagliuca Harvard Life Lab held **20 community-oriented events**, hosted local-area students, technical talks and trainings, and created the Life Lab Live speaker series highlighting the innovative science occurring inside.

In 2017, LabCentral also partnered with MIT's **The Engine**, bringing shared wet-lab space to Central Square. The Engine provides funding, facilities, services, and a network of partners to build the next generation of "tough tech" companies. Our team equips, oversees, and operates the wet lab and makerspace facilities on a day-to-day basis.

The Engine makerspace and wet lab service **14 new companies** in their technical and operational needs.



FOUNDING



PLATINUM



GOLD



GENERAL SPONSORS



THANK YOU TO OUR 2017 SPONSORS