



New Mexico Bioscience Authority 2021 Annual Report*

*Submitted to the Governor and interim Science Technology & Telecommunication Committee by October 1, 2021 as required by Section 8 of the enabling legislation.

NM Bioscience Authority
Annual Report of Activities
October 1, 2020 – September 30, 2021

“Without the New Mexico Bioscience Authority, Bright Path Labs would not be in New Mexico.”

Tony Quinones, CEO, Bright Path Labs

New Mexico Bioscience Authority

The New Mexico Bioscience Authority (NMBSA) was created in 2017 by the legislature, Senate Bill 479, and was tasked with increasing awareness and building support for New Mexico’s bioscience sector by attracting entrepreneurs, capital investment and businesses; influencing policy; and assisting in infrastructure and business development by building a robust bioscience industry in New Mexico. The legislation outlines that the NMBSA will have a board consisting of the following appointments: two representatives from the University of New Mexico, two representatives from the New Mexico State University, one representative from the New Mexico Institute of Mining and Technology, secretary of New Mexico Economic Development Department, executive director of Spaceport Authority, two members of the public appointed by the governor, and four members of the public appointed by New Mexico Legislative Council.

The NMBSA is an official state agency and the state’s first public-private partnership which allows it to co-invest public and private funds. It is administratively attached and is an affiliated organization to the University of New Mexico Health Sciences Center. The NMBSA reports to the interim Science Technology and Telecommunications Committee (STTC). The NMBSA is required to submit an annual report to the governor and the legislature which outlines objectives achieved throughout the year. This report meets that obligation.

New Mexico Bioscience Authority also became a Center for Excellence

In 2019, the legislature passed, and the governor signed House Bill 7. The bill funded four Centers of Excellence (COE), one at the UNM Health Sciences Center-affiliated entity, the NMBSA. The NMBSA COE is the only center that includes governance representatives from all three New Mexico research universities. The COE was created to: 1. “collaborate with leaders of the state’s agencies, higher education institutions, business sector, national laboratories and

community organizations,” 2. “establish short and long-term goals for job creation, business creation and private equity investment outcomes of its work.”

State Funding:

In FY20, the NMBSA received \$63,000 of recurring funding and \$250,000 as a Center of Excellence. In FY21, the NMBSA received \$59,200 of recurring funding and \$235,000 as a Center of Excellence. In FY22, the NMBSA received \$58,000 of recurring funding and \$228,900 as a Center of Excellence.

Primary NMBSA Activity:

1. **Implementation of a Strategic Plan for NMBSA:** In August of 2019, the NMBSA engaged a third-party, Econsult Solutions, Inc. (ESI) to assist in developing a strategic plan. The three goals of the plan are:
 - Establish NMBSA as a Model for Bioscience Development and Organizational Management
 - Take leadership Role within the NM Bioscience Ecosystem
 - Provide Funding for NM Bioscience Growth and Innovation

Last year, the final version of the Strategic Plan was shared with Secretary Alicia Keyes, with the goal of assisting the NM Economic Development Department with their overall strategic plan for the state.

In April 2021, the Mission Accomplishment Committee was created in order to develop initiatives to best reach the goals identified by the strategic plan. In May 2021, during the annual meeting, Director Dale Dekker was elected Chair of the NMBSA Board of Directors. One of Chair Dekker’s first initiatives was to take the goals identified by the strategic plan and align all NMBSA initiatives with the powers and duties laid out for us by the Bioscience Development Act, 2017 SB 478. Under this direction, the newly created Mission Accomplishment Committee developed a survey tool to collect suggestions from the Board of Directors to address these duties and is developing initiatives to ensure the NMBSA is accomplishing the goals it was created to do.

In line with both the goals of the strategic plan and the 2017 SB 478 duties, the NMBSA has invited guest speakers to present at the full NMBSA Board of Directors' meetings since June 2021. Speakers are typically leaders in industry or government who are invited to speak about their expertise, the operations of their industry or business, identify gaps in the system that could be filled by support from the NMBSA, and explain how the NMBSA has already supported their successes, if applicable. These presentations are intended to enhance communication, create broad industry knowledge, and encourage collaboration between industry partners and the NMBSA, when appropriate. All members of the Board are invited to identify potential presenters in an effort to include each of their priorities.

- 2. Bioscience Accelerator Development:** The NMBSA has partnered with a federally funded UNM led bioscience business accelerator Hub to enhance training of university faculty in writing federal grants (e.g., SBIR/STTR) with small businesses and entrepreneurs. The goal is to accelerate technology transfer of biomedically related scientific discoveries from universities participating in the Hub's programming, including the University of New Mexico and New Mexico State University. Since April 2021, six New Mexico university faculty have been trained by this business accelerator and three grants have been submitted to assist in the development of new businesses. The partnership between NMBSA and the bioscience accelerator will allow the NMBSA to extend the robust training and mentoring program the accelerator has developed to educate inventors from other New Mexico colleges, universities, and national labs not currently part of the Hub who are working to commercialize products and technologies within the entire bioscience space, not only biomedical. This training will include educating inventors on how to commercialize their research, as well as assisting with finding start-up funding, talent recruitment and training, and private partner development.

Initially, SBIR/STTR grant training workshops will be facilitated by the NMBSA quarterly beginning with a zoom workshop at noon on November 17th made possible through a collaboration with the NMSU Arrowhead Center’s NM FAST program. The goal is to hold these workshops in-person throughout the state but starting with the initial workshop via Zoom to more easily attract participants who may not be available to join otherwise. The NMBSA will actively recruit participants to this first workshop by sending out invitations to the NMBSA listserv members and by including details about the workshop in upcoming presentations to the NM Biotechnology & Biomedical Association (NMBio) Lunch and Learn event with Los Alamos National Laboratory and at the NM Tech 5th Annual Inventors & Entrepreneurs Workshop.

3. **Community Readiness Program:** The NMBSA recognizes that business location is one of the most critical aspects of business success and future growth. The NMBSA Community Readiness Program, begun in 2019, provides communities with a self-evaluation

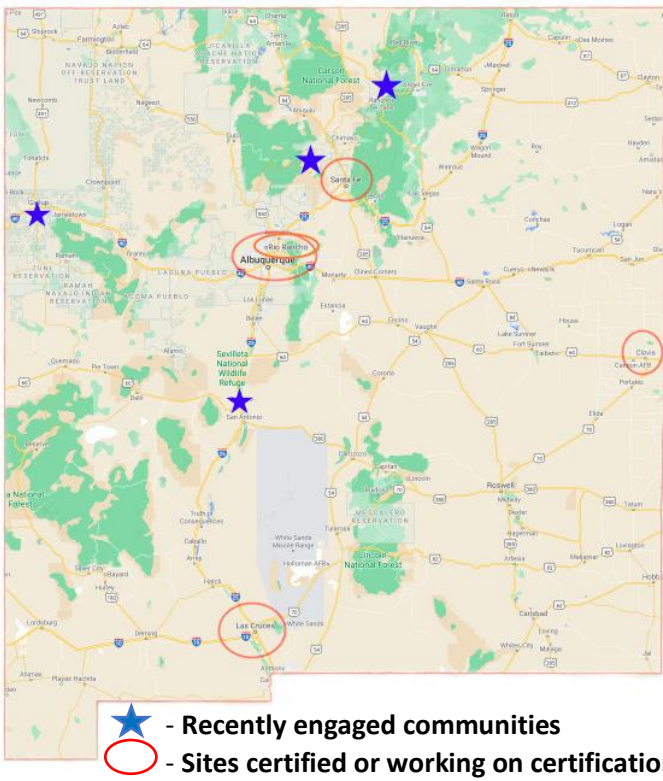


Figure 1: Community Ready Sites

protocol to effectively certify zones as being platinum, gold, silver, or bronze depending on infrastructure and zoning, as well as incentives, which are critical for early stage and start-up business success. Identification of these zones facilitates new business creation lowering cost and work. Albuquerque has certified eight zones and Rio Rancho one zone. Rio Rancho is currently working on scoring a second zone near Presbyterian Rust. COVID-19 disrupted the certification process

for a number of communities who had voiced their early interest in participating. Clovis, Santa Fe, and Las Cruces are currently identifying and scoring new zones and the



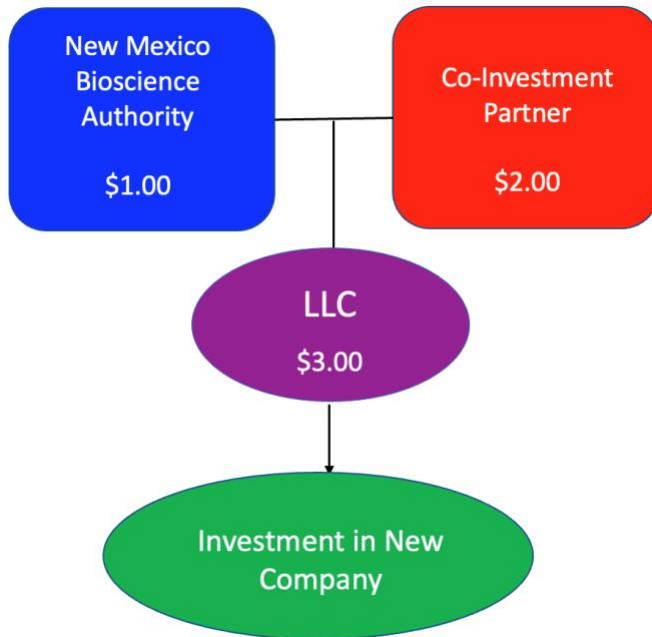
Figure 2: Community Ready Site Example

NMBSA is working to engage with Las Alamos, Gallup, Taos and Socorro. Please see Figure 1 to see the current distribution of communities involved. Since

the initiation of this program in 2019, five new biosciences businesses have located in certified Albuquerque zones. The others are too recent to have data. The data received by each municipality has been posted on the NMBSA website, as well as shared with the NM Economic Development Department, the NM Partnership, other economic entities and economic development departments in cities and counties throughout the state. See Figure 2 for an example of the information available and how it is being presented on the NMBSA website.

4. **Co-Investment Fund:** As the NMBSA has communicated frequently, one of the most needed aspects of successful business creation and growth is dependent upon available funding for startup businesses or for the relocation of businesses to New Mexico. The NMBSA was created to assist startups and existing companies with obtaining adequate funding. With the endorsement of the Science, Technology and Telecommunications Committee, a recommendation from Econsult Solutions, Inc. (ESI), who assessed New Mexico and optimally determined and recommended that to establish a vibrant bioscience industry, a \$25 - \$50 million Co-Investment Fund and a \$100 million

endowment was needed. With legal work from Modrall Sperling Law Firm, who



provided advice on a legal structure for a Direct Investment Fund, Senator Munoz sponsored legislation - Senate Bill 61 - during the 2020 session, but it was not passed at that time.

Figure 3 displays the relationship of the NMBSA with its investment partner(s) and how an LLC would be created for investment in a new company.

Figure 3: Co-Investment Model

Below is the criteria to be an investment partner:

- Qualifies to be lead investor
- Will provide a 2:1 match of funds
- Funds New Mexico bioscience start-ups, early stage or existing bioscience companies or companies relocating to New Mexico
- Has experience sourcing, vetting and investing in companies
- Has existing capital for co- investment and is currently investing in bioscience companies

An initial pilot program for co-investing was launched in 2020 directly by the NMBSA. That pilot program identified two New Mexico based co-investment partners who were given Memorandum of Agreement (MOA) to develop LLCs with the NMBSA that would allow for investment in New Mexico based bioscience businesses sourced by the investment partners. Due to complications brought on by COVID, those MOAs were not finalized and the initial pilot program was cancelled.

A second pilot program was developed in June 2021 and launched through the UNM Procurement Office in July 2021. The NMBSA worked with the UNM Procurement Office to best comply with state procurement laws and attract the strongest co-investment partners to apply. Executive Director Stephanie Tofighi sent invitations encouraging applications to thirty-six investment companies who are currently investing in New Mexico based bioscience business. The 2021 pilot program RFP has just closed, and applications received will be reviewed by a scoring task force of the Board members who will then make recommendations to the full board at the next meeting in October. The NMBSA anticipates investment partners to be identified by November 2021.

5. **Centralization of State Resources for Bioscience Businesses:** One of the reasons for



Figure 4: How Can We Help You, the Inventor?

enhancing the NMBSA website last year was to serve as a resource for bioscience inventors, entrepreneurs, and investors to easily be directed to resources across the state that could help them meet their goals. This year, Executive Director Tofighi is using her extensive experience in

web development to redesign the website to meet this goal with an estimated completion date by the end of October 2021. Examples of these resources include direction to tax incentives, training opportunities, networking opportunities, lists of potential investors, and event reminders. Please see Figure 4 for an example of the resources NMBSA provides to inventors. Pages for entrepreneurs and investors provide

additional information related to resources specific to their stage in the commercialization process.

6. Marketing Tools:

- a. In 2020, the NMBSA built a cutting-edge website through Real Time Solutions that was user friendly and contained elements reflective of the NMBSA’s goals and objectives. As an example, the website included maps in the Community Readiness Program section that were designed to be a tool that economic development entities and site selectors could use to educate bioscience businesses looking to startup or relocate in New Mexico. In 2021, ED Tofighi and Program Specialist Nichols updated all the pages of the website to ensure their accuracy, easy access, and effectiveness. They reorganized the pages to more easily deliver the message about who the NMBSA is, what it does, and what users can expect to be helped with by perusing the site. They added a page to the Programs tab for the recently relaunched co-Investment Program and a page for Success Stories that highlights contributions made by the NMBSA as well as growth in the bioscience industry across the state. In July 2021, the NMBSA also started using Google Analytics to track and report website traffic as a means to evaluate and update the website as needed. As shown in Figure 5, the NMBSA has tracked over 500 users who have viewed almost 1,700 pages within its website. 89.3% of those users are new to the site.



Figure 5: Website User Metrics as of September 23, 2021

- b. The NMBSA has created LinkedIn and Twitter accounts as a means to communicate with a broader audience. The NMBSA is working to expand its follower base by inviting followers through presentations, workshops, and professional contacts. These social media platforms are used to alert followers about opportunities and resources that may be beneficial to them, policies from the state and federal level that may be pertinent, and bioscience industry successes from across the state.
 - c. The NMBSA is in the final stages of developing a listserv which includes bioscience businesses, college and university-based researchers, relevant national lab staff, and other interested users that can sign up to receive information through the NMBSA website's contact page. The listserv will serve as a direct communication tool to pertinent users who want to receive news and resource alerts related to advances and opportunities to bioscience business and investments within the state of New Mexico.
 - d. The NMBSA also has produced a two-page info sheet highlighting its activities and accomplishments that has been shared with elected officials, community leaders and businesses to help them better understand the mission of the NMBSA. This two-page sheet will be shared with the listserv as the NMBSA's first biannual newsletter. The newsletter will also be shared on the NMBSA website for easier access.
7. **Organizational Evolution:** Being a de novo entity, the NMBSA continues - with input from staff and the board - going through organizational evolution. Last year, the chair put together a task force to examine and evaluate the 2017 Bylaws. The 2020 amendment to the NMBSA bylaws was agreed upon and signed into order at the end of October 2020. This amended document has resulted in a more robust organization that better accomplishes the strategic goals which were outlined in the enabling legislation. Furthermore, in April 2021, the NMBSA and the University of New Mexico signed a formal fiscal services and services agreement explicitly confirming that the NMBSA is

administratively attached to the UNM Health Sciences Center per the enabling 2017 SB 478 legislation.

Anticipated Requests for FY23:

1. Continue to receive \$228,900 appropriated as recurring in FY20 as one of Governor Lujan Grisham's Center of Excellence.
2. Continue to receive \$58,000 in a recurring appropriation from the legislature for operations.
3. Request \$25 - \$50 million from the legislature for a co-investment fund. This would allow for direct infusions of capital (between \$1.5 and \$2 million per year) in the New Mexico bioscience startup community, as well as assist fledgling companies seeking additional capital. The fund will also be used as a tool for recruiting biosciences companies looking to relocate to another state.
4. Continue dialog of a \$100 million endowment with key stakeholders, state government, private industry and public universities, which will ultimately distribute over \$5 million per year for workforce development, research grants and entrepreneurial support.
5. In order to facilitate the partnership with the UNM led bioscience business accelerator most effectively, the NMBSA will request \$200,000 to hire an SBIR/STTR Grant Training & Network Facilitator to train bioscience inventors and small business owners throughout the state to submit funding requests to the federal SBIR/STTR grant programs and to catalyze networking between New Mexico based bioscience entrepreneurs and inventors. Costs will support salary and fringe of personnel as well as relevant supplies to manage the events.

Additional Partnership Activities

1. Albuquerque Hispanic Chamber of Commerce (AHCC) – The NMBSA is committed to developing and implementing programs to reach out to various areas and diverse communities of the State of New Mexico, including those that are focused on improving the health status of New Mexicans. Through execution of a **Collaboration Agreement**, the NMBSA and the Albuquerque Hispanic Chamber of Commerce (AHCC) have agreed to work together to promote Hispanic-led technology businesses in Albuquerque and New Mexico. The NMBSA and the AHCC will meet on a mutually convenient basis to coordinate ongoing activities between them; review performance on common projects and explore ways to further enhance their collaborative efforts. The NMBSA and AHCC have committed to developing cooperative projects and have agreed to develop a pipeline that is a reciprocal model that perpetually and continually improves the local Hispanic tech business

community. This year, the NMBSA is pleased to communicate that it successfully worked with the AHCC to bring a Hispanic lead pharmaceutical company to the Albuquerque area.

2. University of New Mexico Health Sciences Center - The UNM Clinical & Translational Science Center hosted its 3rd annual **UNM HSC BioVenture Partnership** Event on May 19, 2021. The BioVenture Partnership Event is a unique opportunity that brought together UNM faculty, inventors, biotech innovators, and investors to promote bioscience in the community. The event promoted networking among New Mexico companies (both start-up and established) in the “bio” arena, investors/angels, and UNM faculty/inventors. This first-of-its kind event allowed local bioscience inventors a rare opportunity to “pitch” their ideas to experts in commercialization and economic and business development in a “Shark Tank” style pitch event.
3. NM Tech’s 5th Annual Inventors and Entrepreneurs Workshop – On October 14, 2021, the NMBSA staff team will be presenting the resources and support the NMBSA is able to provide since partnering with the UNM based bioscience business accelerator. This is an annual event meant to attract researchers, business owners, and investors to learn more about resources available to them and learn best practices from experts in the field. The NMBSA will use the event to introduce itself to researchers and entrepreneurs from New Mexico Tech and the surrounding area, invite participants to its upcoming zoom SBIR/STTR Grant Training Workshop, and encourage attendees to sign up for its listserv and follow it on social media.
4. Legislative Committee Meeting Presentations – After meeting with Legislative Finance Committee Director, David Abbey, in June 2021, the NMBSA has made a concerted effort to present updates on the NMBSA and its initiatives to a variety of Economic Development related Legislative committee meetings. President Larson presented an update to the Rural Economic Opportunities Task Force and Indian Affairs Committee in Gallup on August 4, 2021, Chair Dekker presented an update to the Economic Development & Policy Committee in Prewitt on September 13, 2021, and President Larson and Chair Dekker are scheduled to present an update to the Legislative Finance Authority on October 15, 2021. These presentations are live streamed to allow anyone from the state to join and slides are shared on the NMBSA website for easy access.

Administrative Activities

1. Finalized amendment to the Bylaws to result in a more robust organization that better accomplishes the strategic goals which were outlined in the enabling legislation
2. Signed a formal fiscal services and services agreement with the University of New Mexico explicitly confirming that the NMBSA is administratively attached to the UNM Health Sciences Center.

3. Filed a Form 990-series tax return (990EZ) for FY 2019 in May of 2021.
4. The NMBSA renewed the lease for permanent space at the Verge Building located at 317 Commercial NE.
5. Hired Stephanie Tofighi as Executive Director of the NM Bioscience Authority.

Board of Directors

New Mexico Bioscience Authority						
Board of Directors 2020-2021						
BSA Board Position	Representative Organization	Appointed By	Name	Term	Term Start Date	Term End Date
Chair	Member of the Public	Governor	Dale Dekker	4 years	8/1/2017	12/31/2021
Vice-Chair & Finance Committee Chair	Member of the Public	Governor	Sheryl Arvizu	4 years (partial term)	9/20/2019	7/15/2024
President	University of New Mexico Health Sciences Center	University President	Richard S. Larson	4 years	5/24/2021	5/23/2025
Vice-President	University of New Mexico Health Sciences Center	University President	Christos Christodoulou	4 years	5/25/2019	5/24/2023
Secretary	Member of the Public	NM Legislative Council (Papen)	Suzanne Quillen	4 years	8/30/2017	6/18/2021
Mission Accomplishment Committee Chair	New Mexico Institute of Mining and Technology	Institute President	Thomas L. Kieft	4 years	6/13/2017	6/12/2021
Audit Committee Chair	Member of the Public	NM Legislative Council (Egolf)	Greg Byrnes	3 years	1/23/2021	6/18/2024

Board Member & Executive Committee Member	New Mexico State University	University President	Jennifer Gifford	4 years	6/22/2019	6/21/2023
Board Member & Executive Committee Member	Spaceport Executive Director	N/A	Scott McLaughlin	Ex Officio	N/A	N/A
Board Member & Finance Committee Member	New Mexico State University	University President	Tanner Schaub	4 years	8/01/2021	7/31/2025
Board Member & Finance Committee Member	NM Secretary of Economic Development	N/A	Alicia Keyes	Ex Officio	N/A	N/A
Board Member	Member of the Public	NM Legislative Council (Egolf)	Vacant	3 years (partial term)		
Board Member	Member of the Public	NM Legislative Council (Stewart)	Vacant	4 years		