

## Newsletter Issue: June 1, 2016

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## Georgia Bio Newsletter Credits

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## Letter from the President: Value of Innovation

As our industry faces increased pressure from the public and policymakers regarding the price of cures, treatments and therapies, Georgia Bio is working to engage in this conversation with a focus on the value of our products and their place in the broader healthcare spectrum. Having worked with hundreds of bioscience executives and entrepreneurs over the years, I have found one common theme among them --- that they work each day to bring products to market that improve and save lives. This difficult pathway includes personal sacrifices, navigating a complex regulatory environment and engaging funders and partners in the hopes, against the odds, that discoveries and innovations will become those products to help patients.

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*"Having worked with hundreds of bioscience executives and entrepreneurs over the years, I have found one common theme among them --- that they work each day to bring products to market that improve and save lives."*

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Our national affiliate, the Biotechnology Innovation Organization (BIO), has developed a Value of Innovation Campaign that can be viewed at <http://timeisprecious.life>. Jim Greenwood, the CEO of BIO, will discuss this initiative and our collective efforts on communications and advocacy at our annual **Bio Innovation Summit** on September 28th. We are also putting together a plenary panel to hear from patients whose lives are made better by bioscience and medical device products. Company presentation applications, sponsorship opportunities and exhibit reservations are now open, and registration will open this summer. We've introduced a new pricing structure to encourage greater attendance and we look forward to seeing you all there.

Have a great summer!

Russell Allen

President & CEO

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# ELN Executive Interview Series: Rick Coulon, President & CEO, Accutis Pharmaceuticals Inc.

*By Ishaneka Williams, MBA  
ELN Small Business Liaison*

***What motivated you to enter the pharmaceuticals industry and start Accutis Pharmaceuticals?***

Innovation. The pharmaceutical and life sciences industry is an area where real innovation is rewarded and there's always a need — you are able to make direct impacts to people's lives. My journey in the pharma industry began through associations with pharmaceutical organizations such as Novartis, Steifel Laboratories, Akorn, and their subsidiaries. I continued to be inspired by the work I did: meeting the unmet healthcare needs and driving innovation in patient care developing a particular passion for dermatological therapies. Additionally, the pharmaceutical industry has a unique marketplace; when new innovations are introduced, the value recognized by companies' shareholders and investors are immediate.

Lastly, I have a consulting business in strategy and business development, so I really was able to give sweat equity and understand the amount of work required to start Accutis.

***How did your experiences with Emory's Office of Technology Transfer (OTT) influence your decision to launch? Did they help you overcome any memorable challenges and/or hurdles?***

The biggest challenge in the Accutis start-up was attracting funding but, with the right type of guidance, it was achieved. Jack Arbiser of Emory's OTT provided Accutis with the tools, direction and social capital to attract the right mentors to help us course correct (this is extremely important when starting your company) and build a best in class team including a highly experienced board.

***Do you find that the ecosystem of bioscience start-ups in Georgia is supported? Would you say that organizations such as the Bio/Med Investor Network or Georgia Research Alliance (GRA) have helped foster the well-being of the start-up community?***

Both the Bio/Med Investor Network and GRA were with us every step of the way; they treated us as a valuable asset, helped to attract capital, provided advice, and stood with us in the trenches. Maintaining realistic expectations is important when starting an organization because you find that everything is important and you need to be accountable. GRA helped us to benchmark what's realistic in terms of funding, plans and timelines.

Additionally, these organizations provided critical financial resources to Accutis, "putting their skin in the game". We wouldn't be here if they weren't here; they're essential to the ecosystem of start-ups in Georgia.



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***Are there any new developments Accutis has in the pipeline that you can share?***

Our lead program ACU-D1 is progressing nicely; it is a topical proteasome inhibitor targeting inflammatory skin disorders such as rosacea and psoriasis. We are anticipating starting our phase 1-2 study in healthy patients with rosacea in the fall of 2016. This will be a pivotal event in increasing the value of Accutis.

***Do you see any challenges Accutis may be facing in industry? How do you think this might evolve?***

Consolidation of the key players in the pharmaceutical industry by companies who are not committed to R&D spending and are primarily interested in licensing late stage development or commercial assets. This is off-set by the trend of traditional R&D focused pharmaceutical companies acquiring early stage assets with supporting clinical to augment their current pipeline.

***What opportunities do you see for Georgia Bio and the life sciences industry locally?***

Georgia is home. When you start a new company, the infrastructure created by GRA, Georgia Bio and OTT at Emory has created a strong infrastructure and help attract the capital to support and take companies to the next level. We have a infrastructure here that is necessary to develop a product (pharma or medical device). The Georgia community is an attractive place for companies like Accutis to flourish and grow. Having this level of support and growth is important to leverage the systems — universities and supportive — to breed success. For instance, the BioMed investors network have allowed us to go further with less money. That's been incredibly important to our existing investors. One of the things we're lacking in our infrastructure is venture capital (VC), but that's not a major challenge due to its nature. The VC community scouts out opportunities everywhere.

It's an infectious environment. One example is of the companies that have left the state, Georgia has retained their talent. These scientists that have remained formed new companies from the ashes of those companies that have left. Georgia Bio and GRA have been essential to building and creating the foundation-keeping the intellectual talent in the state and closing the gap.

*Continued on next page...*

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*Would you like to share any advice to young professionals who are early in their career or to those aspiring entrepreneurs in the pharmaceutical/healthcare industry?*

If you're interested in entrepreneurship, get out there — go to industry events, become active with Georgia Bio and seek out mentors in the industry. These are critical to your success.

Don't be afraid to fail, which for an entrepreneur is not getting your idea off the ground. Execute, move forward and be patient. Aggressively pursue the vision, receive advice and take it. Don't be afraid to ask, ask again and hear no. Have confidence and a good business case, and think through the key issues. Key to success for Accutis early on was the Southeast Bio Business Plan Competition. Accutis won the competition! Our participation gave us the opportunity to get clear and lay out the blueprint for what the future of Accutis would look like. It helped to create the base for Accutis. Although the base has changed, it gave us a creditable platform.

The company formed in 2011 and is just hitting critical mass. Its major milestone is a drug going into development this quarter. Key elements to movement have been capital, director development, clinical development, and to move the drug into the clinic.

## New Echota Biotechnology is Kennesaw State University's first incubator company

*Article Source: Kennesaw State University*

Kennesaw State University is proud to announce its first incubator company, New Echota Biotechnology, which is exploring new research that could help in the fight against cancer and other diseases.



The brainchild of Kennesaw State University faculty and supported by the KSU Research and Service Foundation Inc. (KSURSF), New Echota has filed for several patents related to a research project to develop

novel cell-penetrating peptides (CPPs) capable of carrying other molecular 'cargos' into living cells. The co-founders are Kennesaw State's Associate Vice President for Research Jonathan McMurry and the late John Salerno, who was the Neel Distinguished Chair of Biotechnology at Kennesaw State prior to his death this past December.

McMurry's research team, composed of KSU faculty and students, developed CPPs that could lead to new medical treatments ranging from improving cosmetic procedures to helping fight cancer.

New Echota receives grant funding from the National Institutes of Health (NIH) Small Business Innovation Research program. The Georgia Research Alliance has also supported development of the business through their GRA Ventures Fund.

A professor of biochemistry and the former associate dean for research in the College of Science and Mathematics, McMurry is an accomplished and federally funded researcher, with grants from the National Science Foundation and NIH. He also mentors colleagues in the task of applying for grants. As the AVP for Research, McMurry uses his experience to grow KSU's research community, as well as its intellectual property portfolio.

"New Echota may be the first company, but we're certainly not the last," said McMurry. "The coming years will increasingly see KSU-developed technologies contribute to economic development and the betterment of humanity."

Kennesaw State is ranked as a doctoral research institution with moderate research activity — designated "R3" — in The Carnegie Classification of Institutions of Higher Learning 2015 update. The University was previously classified among larger Master's Colleges and Universities or "M1" institutions.

"Universities are increasingly serving as platforms for startups," said McMurry. "Although many people may not think of Kennesaw State as a 'research university,' there is a surprisingly vibrant and growing research culture here."

McMurry credited KSURSF with supporting the initial steps in forming the company and helping to secure patents. KSURSF, a 501(c)(3) nonprofit corporation, serves Kennesaw State as a University System of Georgia-approved cooperative organization. McMurry said he hopes other Kennesaw State faculty and students will follow his company's lead and work with KSURSF to develop their intellectual properties and take steps to commercialize them.

## Legal Alert: UPDATE: Federal Defend Trade Secrets Act Signed Into Law; Employers May Need to Notify Employees

*Article Source: Sutherland Asbill & Brennan LLP*

After overwhelming passage in both the House and Senate, President Obama signed the Defend Trade Secrets Act into law on May 11, 2016. The Act provides a truly uniform, nationwide set of standards for protecting trade secrets, plus a private right of action to sue in federal court. By creating a private right of action in federal court, the Act seeks to harmonize the varied state-by-state implementations of the Uniform Trade Secrets Act and other state laws currently governing trade secret disputes. Sutherland previously reported on significant features of the Act.

### Whistleblower Provision Warrants Attention

Importantly, a whistleblower immunity notice provision in the Act requires companies to take action now, if they desire to preserve maximum recoveries for misappropriation against an employee. The Act protects an employee's limited disclosure of a trade secret when reporting a suspected violation of the law, if the disclosure:

(A) is made (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

Notice of this provision must be given "in any employee contracts or policy documents governing the use of trade secrets entered into or updated after" enactment. Failure to do so precludes recovery of exemplary damages or attorneys' fees for wrongful trade secret disclosure "against an employee to whom notice was not provided."

For these provisions, an employee includes "any individual performing work as a contractor or consultant for an employer."

Compliance with the notice provision can be made by "cross-reference to a policy document provided to the employee that sets forth the employer's reporting policy for a suspected violation of the law."

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### Employers: Next Steps

The whistleblower notice provision protects only individuals who meet the definition of "employee." It does not apply to business entities. And the only sanction for failing to give the whistleblower notice is the inability to obtain punitive damages or attorneys' fees "against an employee to whom notice was not provided."

Based on these facts, employers can choose not to give their employees, individual independent contractors and individual consultants notice of the whistleblower protections. Employers must decide what they value more highly: avoiding the current burden and organizational impact of providing affirmative notice of the whistleblower provision, or preserving the value of a possible future court judgment against an employee that includes punitive damages and attorneys' fees that are likely uncollectible.

Employers that decide to provide notice should review all contract or policy documents pertaining to an employee, contractor or consultant's use of the employer's trade secrets and disclosure of protected company information. Those company documents may include handbook policies, codes of conduct, form separation agreements, and nondisclosure agreements or related restrictive covenants. Employers should consider conforming those documents to the Act's whistleblower notice provisions promptly, or plan for future updates to contain the relevant protections. Employers should also ensure that any new contract or policy documents pertaining to the use of the employer's trade secrets contain the required notice provision.



## 2016 Legislative Year in Review

*Logan Fletcher & Chuck Clay,  
Nelson Mullins; GaBio Lobbyists*

The 2016 Legislative Session ran from January 12 to March 24. A number of high-profile pieces of legislation were passed this year and a few others were vetoed by Governor Nathan Deal. Significant vetoes included HB 727, The Religious Freedom Restoration Act, which was passed by both chambers, despite an uproar by Georgia's business community. The other, HB 859, would have allowed students 21 or older to carry firearms on college campuses. These vetoes could have some effect on the Governor's ability to push his agenda in 2017.

The annual budget document drives the state's priorities. This year, the state's portion of the fiscal year 2017 budget is approximately \$23 billion out of a total budget of a little over \$41 billion. Although state revenues have continued to rise, Georgia, like all states, is still playing catch up from the '09 recession. As expected, the majority of the \$600 million surplus was targeted towards K-12 education. This will eliminate furlough days for teachers and allow for a 3% raise for teachers and other state employees. This also included an additional \$10 million for Lt. Governor Cagle's Invest Georgia fund, an initiative supported by Georgia Bio.

Georgia Bio continues to advocate for business friendly legislation and tax reform that could benefit life science businesses, such as sales of tax credit or losses. Georgia Bio agreed to work with Sen. Bruce Thompson on a study of legislation that could impact

the utilization of adult stem cells for medical research or cures. Senator Thompson is a supporter of adult stem cell research and is seeking input from the bioscience community on his proposed legislation. We will continue to keep Georgia Bio members included in this conversation moving forward.

Considering that it was an election year, it was apparent that many legislators wanted to focus early on their campaigns. Next year is expected to be busier, with legislators fresh off the campaign trail. We will likely see a reemergence of the "Religious Freedom" and "Campus Carry" battles as well.

Lastly, the Georgia Bio legislative team hosted two successful events for legislators, the Georgia Bio Day at the State Capitol and a legislative dinner where political leaders heard from local industry about the impact of their innovations. Georgia Bio staff and the policy and advocacy team look forward to continuing their commitment to improving Georgia's life sciences industry and the business environment for innovation.

While the 2016 session has recently ended, Georgia Bio is looking ahead to the 2017 legislative session and is soliciting member input on our legislative agenda, specifically as it relates to financial incentives for our industry. Please contact Russell Allen if you have input or questions.

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## Georgia BioEd Institute Hires Jordan Rose as Executive Director

Georgia Bio is thrilled to announce Jordan Rose as the new Executive Director of the Georgia BioEd Institute. Rose will be responsible for strategic and operational direction to fulfill the organization's mission to grow Georgia's leadership in life science innovation.

As the Executive Director, Rose will drive and enhance fund development strategies, strengthen fiscal and operational effectiveness, and improve the organization's standing in Georgia. Leveraging the Georgia BioEd Institute's legacy as the leading life science institute in Georgia, he will work to enhance the dynamic programs that support life sciences entrepreneurship, education and career development.



"The Georgia BioEd Institute will continue to connect K-12 educational opportunities with industry needs to strengthen the pipeline for Georgia's bioscience workforce," said Rose, "I am excited to collaborate with Georgia Bio and industry leaders to increase the Institute's effectiveness, broaden its reach, and sustain its programming into the future."

Rose's passion and experience with promoting science literacy and building community partnerships creates a promising future for the Georgia BioEd Institute. He has previously led formal and informal science education initiatives throughout the Atlanta area for sixteen years, and is co-founder and co-director of the Atlanta Science Festival, a 501c3 nonprofit organization; a role he will continue to serve in.

As a former Associate Director for Outreach at the Emory College Center for Science Education, Rose led numerous grant-funded initiatives to support K-12 teachers and students, and facilitated university-community partnerships. He has also managed educational outreach programs for the National Science Foundation Center for Behavioral Neuroscience, and Emory University's PRISM. Rose received a Bachelor of Science degree in Neuroscience and a Master's degree in Public Health from Emory University.

A vital addition to the Georgia Bio team, Rose will provide his leadership, management and program development experience to the Georgia BioEd Institute.

## Georgia Bio Welcomes Kristen Pappaterra as Marketing and Events Manager

Georgia Bio has named Kristen Pappaterra as their Marketing and Events Manager effective March 2016. Ms. Pappaterra is responsible for creating valuable programs and events for Georgia Bio and its members. Additionally she assists with developing and implementing key marketing and communications strategies for all aspects of Georgia Bio.



Ms. Pappaterra will not only provide support for member events, social media and website management, but she will help to oversee the Georgia Bio Innovation Summit and provide communications strategies for all aspects of Georgia Bio. Ms. Pappaterra will not only provide support for member events, social media and website management, but she will help to oversee the Georgia Bio Innovation Summit and provide communications advisement to partner organizations overseen by Georgia Bio.

This new role will help Georgia Bio strategically market its events and help member companies better realize significant benefits through strategic connections, advocacy support, and money-saving group purchasing and preferred provider programs.

Kristen joins Georgia Bio with a background in marketing, events and public relations. She received a Bachelor's Degree in Public Relations and Minor in Marketing from Georgia Southern University. In her spare time, she enjoys traveling and spending time with her friends and family.

"The addition of a marketing and events manager will enable us to execute new events for our member companies around relevant business issues. I am confident that Ms. Pappaterra will strengthen the organization's benefits and outreach, thereby creating an improved member experience." said Georgia Bio VP of Operations, Maria Thacker.

## Company with UGA Roots Selected by AT&T for Accelerator Program

*By Terry Hastings, UGA*

Cogent Education, an Athens education software company that began at the University of Georgia and graduated from its startup incubator, is one of six innovative ed-tech startups from around the country named to the 2016 AT&T Aspire Accelerator class.

The six-month program, now in its second year, supports student success and career readiness through accelerating education technology. It is part of a \$350 million commitment by AT&T to help students succeed by supporting organizations driving student success and career readiness. Participants receive financial investment of \$100,000, plus mentorship and access to expert services from AT&T and others.

Cogent CEO Tom Robertson said, "AT&T is continuing to invest in education, and we're honored to be chosen as one of the winning companies for their Aspire Accelerator. The program will give us great opportunities over the coming months as we continue to grow as a science education company in Athens."

Cogent Education was founded in 2010 as IS3D by eight UGA faculty and staff members — including CEO Tom Robertson, at the time an associate professor of veterinary medicine — who wanted to improve science comprehension and inspire young people to pursue careers in science, technology, engineering and math, known as STEM fields.

IS3D graduated in 2013 from UGA's Innovation Gateway startup incubator, which supports companies with research and technology ties to UGA. The company has received funding from the Georgia Research Alliance, NIH, and NSF, and has received numerous awards and recognitions from the software industry and education community.

Through partnerships with more than a dozen school districts, the company's team of artists, designers and programmers has developed a robust catalogue of products based on student and teacher feedback, and the software has made many students excited about science for the first time.

For example, in one interactive case study, students act in the role of a veterinarian to help a young calf, named Clark, who is having seizures. To determine the cause, the students "fly into" Clark's brain to learn about osmosis and apply their learning to save Clark. Other case studies explore topics like homeostasis, membrane potential, photosynthesis, the nitrogen cycle, cell respiration, and diffusion.

## White Paper: Building a Better Partnering Presentation

*By Linda M. Pullan, Ph.D., Pullan Consulting; ShareVault*



Whether seeking a partnership with another company to obtain funds, or looking to advance a drug candidate or technology, organizations need to present opportunities as attractively as possible to persuade potential partners. No matter the form of the presentation, the audience must quickly understand the answer to their primary question, "What's in it for me?" If they can't see what's in it for them, they'll stop paying attention.

More articles from Linda M. Pullan, Ph.D. and ShareVault:

- [How to Win at the Partnering Game](#)
- [Getting Ready for a Biopharma Partnering Deal](#)

## Less than One Week Until the BIO International Convention

There's no better place to connect with biotech's top people and most innovative technologies than at BIO 2016. The ideas shared here go beyond professional development. Experience powerful business partnering, benefit from invaluable education sessions and network with 15,000+ of the industry's brightest.

- 29,000+ BIO One-on-One partnering™ meetings with 3,100+ companies
- Hundreds of Company Presentations from the industry's leading innovators
- World-renowned speakers leading Keynotes, Super Sessions and Fireside Chats
- 16+ Session tracks covering timely issues featuring hundreds of speakers
- 1,800+ exhibitors from all fields—from Digital Health and Diagnostics to Bioprocess

Join the global biotech community in San Francisco and see how the everyday becomes extraordinary at BIO 2016. Register now at [convention.bio.org](http://convention.bio.org). You can learn more about Convention with the [BIO 2016 eBrochure!](#)



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## Welcome New Members

Saol Therapeutics  
Hovione, LLC  
Aavis Pharmaceuticals  
GLOCK Health

Video Medicine  
Witowski CMC Consulting, LLC  
Anitox

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## Upcoming Events

Bench to Business: Session 2  
**June 3, 2016**

The Role that Regulatory Intelligence Plays in a Highly Regulated Environment  
**June 3, 2016**

BIO International Convention  
**June 6-9, 2016**

GCMI Medtech Innovation Speaker Series-  
Session 7: Raising Capital  
**June 8, 2016**

WIB- Atlanta Career Workshop  
**June 8, 2016**

Mikart Industry Tour  
**June 16, 2016**

Teacher Training: Introduction to Biotech 101  
**June 17, 2016**

New York Venture Summit  
**June 20th & 21st, 2016**

Small Dinner Series with Mark Samuels of LumaMed  
**June 21, 2016**

Redefining Early Stage Investments  
**June 23, 2016**

Kauffman FastTrac® TechVenture™- Entrepreneur Training Course  
**June 30, 2016**  
**July 7th, 21st & 28th, 2016**  
**August 4th & 11th, 2016**

Baxalta Industry Tour  
**July 13, 2016**

Cleaside Biomedical Industry Tour  
**July 27, 2016**

Bench to Business: Session 3  
**August 12, 2016**

Careers in Life Sciences Series:  
Law Government and Writing  
**August 18, 2016**

BioPharm America™ 2016  
**September 13-15, 2016**

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