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Press Release



June 22, 2021

iPark Invites Companies to Join Second Phase of “Japan VC Consortium,” a Platform Driving VC, CVC, and Pharmaceutical Company Collaboration

Focusing on Forefront of Bio-informatics and New Chemical Space

Shonan Health Innovation Park (“Shonan iPark”) announced today that it is opening applications for companies to join the second phase of its “Japan VC Consortium” from Tuesday, June 22 to Wednesday, July 21, 2021. Established in July 2020 to accelerate investment in Japan’s life sciences sector, the Japan VC Consortium is a platform designed to foster relations among venture capitals (“VC”), corporate venture capitals (“CVC”), and R&D and business development divisions of pharmaceutical companies (“Pharma”).

Gap between global and Japanese investment trends

Shonan iPark aims to be Japan’s global hub for innovation and collaboration.. As part of its efforts to realize this goal, it has been analyzing the Japanese VC market and startup landscape to identify investment issues and create relevant opportunities. May’s [“Trends in Healthcare VC Investing”](#) report shows that the Japanese healthcare VC market stands at USD 1.23 billion as of 2020, amounting to approximately just 2.5% that of the US, affirming the issue in terms of difference in scale of investment.

Total VC investment for US pharmaceutical and biopharmaceutical companies in 2020 was USD 23.2 billion, showing a significant increase of USD 17.2 billion from 2019, despite the COVID-19 pandemic. The number of IPOs in 2020 also exceeded record-breaking 2018 levels and achieved the highest-ever record of USD 9.7 billion in total funding. Funds are being invested in biotechnology at an unprecedented level. “Pitchbook: 2021 US Venture Capital Outlook”, an analysis report on finances of US companies, points out, “. The abundance of unmet medical needs ensures that this capital will likely be allocated regardless of major shifts in macroeconomic factors. Similarly, we believe capital flowing from nontraditional sources such as corporate VCs and crossover investors (for example, mutual funds, hedge funds, alternative asset managers, and more) will also remain strong and continue to boost biotech & pharma dealmaking as drug technologies continue to mature and more late-stage startups move farther along the drug development cycle.”

Japan VC Consortium Second phase

Shonan iPark believes an underlying factor behind the various issues that are holding back VC investment in Japanese healthcare is that individual VC and CVC programs often struggle to make bold investments due to their small scale and limited cross-organizational relations. Shonan iPark founded the consortium in 2020 as a platform where the park could proactively facilitate relations between VCs and CVCs, as well as support them in enhancing know-how and collaboration for actual investment activities.

In the first phase of the consortium, ten diverse VCs and CVCs participated and joined regular discussions on future investment trends and latest life sciences topics, including digital medicine and oligonucleotide drug delivery technologies. The second phase will focus on new topics and offer further practical learning and discussion opportunities.

Overview: Invitation to Japan VC Consortium Second Phase

- Consortium name: Japan VC Consortium
- Co-representatives: 1. Yoshihide Ishii, Partner, Takeda Ventures, Inc.
2. Koki Nakagawa, Head, Commercial & Business Development, Shonan Health Innovation Park
- Activities: - Member companies will discuss latest topics across a range of healthcare areas, with the goal of developing investment and licensing capabilities.
- First-half focus (July - December, 2021): Forefront of bio-informatics usage
 - Second-half focus (January - June, 2022): Biotechnologies in new chemical spaces
 - Monthly activities:
 - View and discuss latest presentations
 - Meetings between individual companies
 - Meetings between individual companies and consortium office
- Invited companies: VCs, CVCs, Pharmas (annual membership)
- Application period: Tuesday, June 22, 2021 to Wednesday, July 21, 2021
- Start of second phase: Tuesday, July 27, 2021
- Annual membership fee: 220,000 yen
- Contact (applications and inquiries): shonan-health-innovation-park@takeda.com (Koki Nakagawa)

Toshio Fujimoto, General Manager of Shonan iPark said, “We know that the scale of biotech investment in Japan sadly remains small compared to Europe, the US and China. This consortium will enable participating companies to share information from the forefront of research and development, as well as raise awareness of Japan’s investment and related technological development, which I hope will accelerate innovation and become a driving force behind increasing our international competitiveness”

About Shonan Health Innovation Park (Shonan iPark)

Shonan iPark is Japan's global hub for innovation and collaboration. Today, Shonan iPark houses over 120 companies and gathers more than 2,100 (as of May, 2021) across pharma, next-generation technologies, AI, venture capital, and government-related organizations. With the mission to "build a life science ecosystem that is open to the world", Shonan iPark recently launched a virtual membership option for pioneering life science organizations seeking to navigate Japanese market entry. This is the first time a Japan-based life science innovation park has offered a virtual membership to a global audience. <https://www.shonan-health-innovation-park.com/en>

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