

Interview with DesignMedix CEO Lynnor Stevenson

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http://community.oen.org/community/angel_oregon?view=blog

Right on the heels of their victory at OEN's Angel Oregon 2009, DesignMedix CEO Lynn Stevenson was kind enough to grant us an interview for the OEN Community site. I asked her a few questions about the event, fundraising, and future plans for DesignMedix, and she provided some great answers. Congratulations again to the DesignMedix team, and thanks again to Lynn for taking the time to answer our questions.

Ware: Congratulations on winning Angel Oregon!

Stevenson: Thanks Adam. It was an honor.

Can you describe the overall feeling the DesignMedix team had after winning?

All three co-founders are thrilled – for a variety of reasons. First, we were nearing our equity investment goal and this award helps us reach that. Secondly, the OEN Angel Oregon event itself is such a winner, we loved being a part of it. The OEN team has consistently provided a great forum for entrepreneurial companies. Finally, we believe we can put the investment to good use to advance our malaria drug development.

Why do you think you were able to beat the other companies, what do you think are the most attractive elements of DesignMedix from the investors standpoint?

There certainly were some exciting opportunities represented by the various companies at Angel Oregon. DesignMedix did have the advantage of having gained funding from Oregon Angel Fund, so several investors knew our story and knew that OAF had done a lot of due diligence. We really thank them for that. We all learned a lot during the OAF and Angel Oregon due diligence processes. In addition, our products are important from a global viewpoint, and address very large markets. In today's economic environment, the fact that DesignMedix can take products forward with a substantial amount of non-dilutive grant funding, from the Oregon Nanoscience and Microtechnologies Institute (ONAMI) and from the National Institutes of Health, may have caught the attention of the investors. Also, having just gotten exciting results from our collaboration with the Oregon Translational Research and Drug Development Institute (OTRADI) may have sent the DesignMedix opportunity over the top with some investors who were voting on the companies.

How critical has your management team been in your fundraising efforts; has this been a group effort, or has it mostly been your responsibility?

This has really been a group effort. David, Sandy and I are very much a team, strategizing on approaches that may be successful. David has given many presentations; sometimes we presented in different cities on the same day! In addition, the team helping with the fundraising efforts extend beyond our management team. For example, I have had direct coaching from Dennis Powers, Bill

Nicholson and the team provided by OEN, all of whom provided great advice.

Can you talk a little bit about how your previous experience with startups has helped you get DesignMedix going, and how DesignMedix has been different from those opportunities?

My experience with other startups has helped to avoid some time-wasting errors. THE most important one is to choose your colleagues well. Mine are fantastic to work with. Working with Heska and with the Malaria Vaccine Initiative (on a consulting project) exposed me to the scientific challenges of controlling parasites – but also to the great need to do so. This enabled me to recognize the excellent chemistry that David was doing at Portland State University. Being a board member with a public company, and going through the IPO and acquisition processes before helped me to understand the need for clear, solid legal documentation. Our attorney, Brenda Meltebeke at Ater Wynne has been wonderful in developing good legal structure for us. And I have seen, both from reporting to boards and working on them, how critical your board members are. Jim Wilson is helping guide our board decisions skillfully.

What has been different from some of my other startups is the focus on global health. This has opened up funding possibilities that did not rely on early venture capital investment.

What do the next 6 months look like for DesignMedix, what milestones are you striving for?

Our goals are to select the best drug candidates and to get them into preclinical testing. We also have several more grants to apply for. On the new products front, we want to establish activity of our compounds in new disease applications. On the strategic partnering front, we want to get our story in front of potential pharmaceutical company partners.

Any final thoughts for the OEN community?

Use the resources provided by OEN and the Oregon angel community as well as technical resources available at Oregon universities. They are exceptional by any standards. Since we have limited venture capital available in Oregon, companies have to be frugal and creative to succeed, but there is a community there to help.