

**Category**

Best Incubator, Accelerator, Equity

**Program/Fund Name**

Cube Labs

**Corporate Name**

Cube Labs S.p.A.

**Date Of Creation**

2013-07-22

**Indications (if applicable)**

N/A

**Therapeutic Categories (if applicable)**

N/A

**History of the development of the fund / Incubators**

In the mid-2000s, Filippo Surace, an Italian physiatrist, surgeon, and inventor, was appointed as an Adjunct Associate Professor at Temple University's College of Bioscience and Technology in Philadelphia. While immersed in the life science ecosystem, he witnessed the translation of academic research into commercial healthcare technologies at a high frequency, enabled by efficient systems and processes.

In contrast, Italy faced challenges such as shortages in R&D funding, brain drain of scientists, and regulatory hurdles, which impeded its ability to innovate and advance in the life sciences. Despite the excellent quality of research being conducted in Italian universities and research institutions, there were significant hurdles to bringing these discoveries to market.

In the midst of these challenges, Filippo saw enormous potential in life sciences in Italy. He recognized Italy's multi-millennial history of curiosity, experimentation and innovation in many fields, including medicine, and believed that with the right support and resources, Italian researchers and scientists could once again become leaders in the global healthcare industry.

To that end, Filippo, along with Co-Founders Renato Del Grosso and Massimo Fiocchi, established Cube Labs as the pioneering venture builder in Italy's healthcare technology sector. Cube Labs is designed to fill all the gaps in the life science innovation value chain, from funding and research to commercialization and regulatory approval. The company works closely with Italian universities and research institutions to identify promising discoveries and technologies, and provides the support and resources needed to bring these discoveries to market.

Since its founding, Cube Labs has established 12 life science startups and registered two products. In

March 2023, Cube Labs achieved a major milestone when it became a listed company on the Milan Stock Exchange, Euro Growth Milan- Pro Segment. This achievement not only validates the company's vision and strategy, but also demonstrates the growing interest and support for healthcare technology innovation in Italy and beyond. With Cube Labs leading the way, it is possible that Italy could once again accelerate innovation and creativity in life sciences.

### **Focus**

Cube Labs has a strong focus on identifying commercially promising, early-stage therapeutic, diagnostic, and medical technologies that originate in Italy. Our team is comprised of experts in the fields of science, business, and innovation who work tirelessly to evaluate and identify the most promising technologies that can transform healthcare outcomes for patients across the world.

To achieve this goal, we maintain a diverse portfolio of companies operating in the nutraceuticals, pharmaceuticals, and medical devices space. Our companies are carefully selected based on their potential to address unmet needs in the global healthcare market, and we invest heavily in their development to ensure their success.

At Cube Labs, we believe that the future of healthcare lies in innovation, and we are committed to supporting the development of breakthrough technologies that can transform the way we approach healthcare. We understand the importance of delivering solutions that can improve patient outcomes while providing value to healthcare systems, and we work closely with our portfolio companies to ensure that they can deliver on these critical objectives.

Through our deep understanding of the life sciences, coupled with our expertise in business development and commercialization, we are uniquely positioned to help promising technologies make the leap from the bench to the global market. At Cube Labs, we are dedicated to driving meaningful change in healthcare, and we are excited about the future of innovation in this space.

### **How do you address your portfolio needs**

The journey from research to commercialization of healthcare technologies can be challenging, requiring a diverse range of competences and expertise. The early stages of a startup are particularly demanding and can be fraught with obstacles. It is therefore essential to have access to experienced human talent, which is vital to successfully pivot and navigate around such challenges.

At Cube Labs, we understand the difficulties associated with building a startup, especially in the life sciences sector. That's why we provide our portfolio companies with comprehensive entrepreneurial and operational support. Our core team has extensive experience in startup and development, with members who manage all the commercial aspects of our portfolio companies. This includes IP and regulatory management, fundraising, business development, and IT and communications. In cases where additional capabilities are required, we leverage our local and international networks to incorporate them into our organization.

Our approach ensures that scientists are free to focus on what they do best: research and development, whilst our core team transfers their experience and entrepreneurial know-how into the companies from their earliest stages. By providing this critical support, we help our portfolio companies succeed in developing promising therapeutic, diagnostic, and medical technologies that address unmet needs in the global healthcare market, ultimately transforming outcomes for patients.

**Impact / metrics to measure success**

Cube Labs is committed to driving life science innovation in Italy with a dual objective. Firstly, we strive to ensure that promising Italian technologies do not remain shelved but instead enter the pipeline of commercialization. Secondly, we aim to bring needed technologies to the market to transform outcomes for patients worldwide.

Over the past four years, Cube Labs has established 12 life science startups, encompassing a portfolio of 30 technologies, with two products already registered as medical devices. Our success has led us to make an IPO on the Milan Stock Exchange in March 2023.

Not only have we gained recognition domestically, but we have also garnered attention internationally. We are now collaborating with communities interested in innovation and commercialization to bring our model to markets where the life science innovation ecosystem is nascent. Our goal is to help bring to fruition the potential of promising science and to create solutions that have a global impact on healthcare outcomes.

**Why your model is innovative, and/or how it will improve the human condition?**

Italy's innovation ecosystem is still emerging, and it faces challenges in bringing together all the elements necessary to drive technology commercialization, such as tech transfer, entrepreneurial knowhow, and stakeholders who understand the complexities of life science innovation.

In this context, where academic research in the country relies almost exclusively on public funding, the lack of effective commercialization hinders the delivery of commercially viable technologies to end-users. As a result, public funds do not achieve the intended social impact they were meant to generate.

Cube Labs' venture builder (VB) model is a tailored approach that specifically addresses the needs and gaps of the Italian life science innovation ecosystem. Our experienced core team has the startup and development knowhow to identify opportunities, attract capital, build companies, and manage them from their early stages.

Our iterative process of company building allows for faster development, while shared resources across companies enable economies of scale. We comprehensively fill the entrepreneurial and commercial knowhow gaps for early-stage life science R&D in Italy, and our immersion in a global network of partners fuels the engine of innovation.

By ensuring that cutting-edge technologies do not languish on shelves and instead enter the commercialization pipeline, Cube Labs catalyzes the development of healthcare technologies that reach patients in need, and effectively delivers value and social impact back to the public.

**Please provide appropriate references (Examples / Case Study)**

Cube Labs' Venture Builder Model: Pioneering Healthcare Innovation in Italy

Traditionally, Italy has faced challenges in attracting investors for healthcare technologies due to the substantial time and resource requirements for their development. Moreover, the scarcity of experienced investors with a deep understanding of the field has slowed progress. These issues, coupled with gaps in the commercialization value chain such as inadequate R&D funding and lack of

expertise, have impeded the translation of academic research into marketable healthcare technologies.

Cube Labs, a winner of multiple national and international awards, has introduced the Venture Builder Model to Italy's life science industry, aiming to effectively address these gaps and building a powerful track record of company creation and technological innovation. Against all odds, this catalytic achievement has instilled confidence among investors. In a historic first for a life science innovation management company in Italy, Cube Labs reached a significant milestone in March 2023 by becoming the only VB listed company on the Milan Stock Exchange, Euro Growth Milan- Pro Segment. This achievement serves as a testament to Cube Labs' capacity to bridge gaps and drive innovation in healthcare technology- not only within the academic R&D landscape in Italy but also potentially in other emerging markets with similar unmet needs- and positions Cube Labs as a global pioneer in the field, showcasing its innovative business model for scientific advancement.

Importantly, Cube Labs plays a significant role in realizing the value and social impact of publicly-funded research. In Italy, where academic research relies heavily on public funding, the potential value, both in terms of monetary and societal impact, has often remained untapped. Cube Labs, starting with an initial 10 million Euros of academic R&D expenses in portfolio, has demonstrated remarkable growth, with a current valuation of approximately 130 million Euros (as assessed by Venture Valuation). This success is a testament to Cube Labs' innovative approach, which facilitates the transition of academic research into the commercialization pipeline, unlocking its inherent value.

#### Strategic Portfolio Management: Fostering Synergies

A key aspect of our portfolio management strategy is to generate internal synergies among Cube Labs' portfolio companies, fostering a virtuous cycle of growth and development. A notable example of this occurred during the COVID-19 pandemic when two of our portfolio companies, Adamas Biotech and DTech, collaborated to develop a prophylactic technology.

Adamas Biotech is a clinical-stage company specializing in nutraceutical-based prophylactic and therapeutic solutions for various clinical and wellness indications. Their primary focus lies in bioactive molecules derived from botanicals, particularly green tea catechins.

DTech, on the other hand, is a medical technology startup that pioneers biocompatible hydrogels capable of controlled release of medicinal substances in situ. DTech's hydrogels are designed to adhere to both soft and hard tissues, facilitating the controlled release of active medicinal substances.

The collaboration between Adamas Biotech and DTech resulted in the development of the DTech Biogel Spray, specifically designed to combat COVID-19 and other coronavirus-induced infections. The spray incorporates a proprietary hydrogel-bioactive plant polyphenol mixture formulation called Theaphenon E®. It is safely administered to the upper respiratory tract, inactivating virus particles before they can infect host cells. Both the nasal and oral spray formulations of DTech Biogel Spray have been registered as Class I Medical Devices in Italy.

The DTech Biogel Spray hydrogel acts as a barrier against viruses and functions as a bacteriostatic agent, preventing infections from other airborne pathogens while blocking coronavirus entry through

the airways. Compared to currently available products, research suggests that the DTech Biogel Spray offers advantages by acting through two mechanisms: the hydrogel creates a biodegradable barrier for blocking viral entry and inhibits infectivity through the release of bioactive Theaphenon E, reducing the viral load in the nose and slowing disease progression.

Through the cultivation of internal synergies, Cube Labs empowers its portfolio companies and the entire ecosystem to collaborate and create groundbreaking solutions that have the potential to revolutionize healthcare outcomes for patients.