

and investors another message: that they should bolster their support for startups at the outset. Oliveira adds, "In Brazil, they still don't see small companies' potential to become big companies. They don't like dealing with risk." Changing that mind-set would help things move a lot faster.

VelocityTX and OBr won't be taking all Brazil's startups. Aspiring companies have to show significant validation to access the program—either sales, or existing "substantial" investment. That would appear to rule out most traditional, discovery-based biotechs. "We expect to see companies that are later in the [development] process...ready for approval," says VelocityTX CEO Jorge Varela. In other words, companies that bring money, and jobs, with them.

VelocityTX in October 2017 announced a similar partnership with Chile's Austral Incuba incubator program in Valdivia. One Chilean startup with a technology to detect Alzheimer's disease is looking to join the Texan program, having already received over \$150,000 in grants and non-dilutive investments in its home country.

If VelocityTX and OBr can create success stories—even if those successes happen abroad—this will help boost Brazil's young

sector. Oliveira hopes to return to Brazil in the future, and to help other entrepreneurs succeed. She, and others, say things are improving. New seed funds are launching, for instance, from the Brazilian Development Bank, BNDES. For now, though, the challenges at home mean that many startups need to go global early, and access international networks for funding, expertise and the best commercial opportunities.

For businesses with shorter development time frames, spending the time and energy necessary to move to and understand a new country and system may not make sense. Brazil is probably the one Latin American country whose local market is big enough that startups don't all automatically need to expand abroad, as is the case in smaller countries, notes Diaz.

Belo Horizonte-based Detechta Biocologia, a spin-out from the Brazilian National Institute of Vaccine Science and Technology, was founded by academics who had helped develop, and transfer to industry, a vaccine for canine visceral leishmaniasis. That vaccine is marketed in Brazil, and Detechta is working on a new formulation. International expansion may happen in future, but for now "we see our role in building up the biotechnology sector in Brazil," says

Detechta's co-founder Ana Paula Fernandes. Detechta, like Biozeus, hopes to spot diagnostic and vaccine technologies from Brazilian university research and take them through development, with funds from various state and federal seed programs, and an industrial partner. These programs could go some way towards reversing the country's innovation deficit, in part by offering jobs to returning PhDs. "We have a huge number of well-qualified researchers returning to Brazil, from programs such as Science without Borders," says co-founder Ricardo Gazzinelli. "We are taking small steps in the right direction."

VelocityTX also manages the Alliance of Texas Angel Networks, which includes over 640 angel investors in the state, and works with family offices, high net worth individuals and angel groups in Brazil to facilitate access to capital for domestic startups, according to Varela. OBr also encourages international businesses to invest in Brazil, which, Janssen says, "is large, but not easy for outsiders to penetrate" because of local legislation and ways of working. "You need people on the ground" to fast-track foreign businesses in Brazil.

It's a two-way street, in other words.

Melanie Senior London

Around the world in a month



UNITED KINGDOM
In a post-Brexit vote of confidence, Merck invests \$1.3 billion for a new London drug discovery facility. The site will employ 950 people, of which 150 will be new research roles and 800 relocated from other Merck sites in the UK.

CHINA
Shanghai's Zhangjiang Hi-Tech Park will be home to Johnson & Johnson's newest JLABS startup incubator in Spring 2019. The 4,400-square-meter facility will be the first JLABS location outside North America and will accommodate up to 50 life science startups.

PHILIPPINES
The government halts the use of dengue vaccine Dengvaxia and orders an investigation into the immunization of more than 730,000 children after manufacturer Sanofi announces that it could worsen the disease in some cases. In the meantime, the World Health Organization recommends its use only in people who had prior infection with dengue.

AUSTRALIA
Farmers in Victoria trial a GM safflower that has 92% oleic acid content, ideal for replacing petroleum-based industrial oils. If approved, it would mark the first commercial application of gene-silencing technology developed by CSIRO, the Australian government agency for scientific research.

SOUTH KOREA
The Ministry of Food and Drug Safety creates approval criteria for artificial intelligence- or big-data-based medical devices. Under the criteria, software designed for disease diagnosis, treatment and prevention, but not for automatic medical information searches and health maintenance, will be categorized as a medical device, although the ministry can consider worldwide industry trends and approval cases to make exceptions.