

We interviewed Jonathan Yeh of Saisei Ventures, a venture capital fund based in Boston and Tokyo that's dedicated to building globally competitive biotechnology companies from Japanese innovations. In addition to providing funding, Saisei Ventures is an active investor, installing international operator experience and access to a specialized network in its company builds. Jonathan shared insightful perspectives on Boston's market & recent trends, investment evaluation criteria, and advice for Japanese startups.



Jonathan Yeh

Managing Partner, Saisei Ventures

Could you tell us about how you got into your role as a Managing Partner at Saisei Ventures?

My journey started in fundamental research, studying stem cells and acute myeloid leukemia, though my real interest lay in product development and commercialization of innovations, which led me to pivot into founding an early stage biotechnology company. This started me on my path towards finance and venture capital. When the opportunity arose to create a truly cross border venture capital fund, my excitement outweighed the risks and I decided to go all in to launch it. That fund is Saisei Ventures, a US and Japan venture capital fund that's focused on company formation efforts in the gene & cell therapy sector. Our primary focus is in therapeutics and we aim to combine technological foundations from under ventured regions of the world while combining them with product development expertise and platforms of established regions.

How would you describe the current investment climate for biotechnology startups in Boston?

Nationally, investors took a step back in the face of the recent market instability, so many biotech companies without momentum, or convincing datasets, were unable to receive necessary funding. That being said, there's a groundswell of local enthusiasm as (we believe) we have passed the market bottom and investors prepare to start investing again. As a major biotech hub in the US, Boston will likely be one of the first places we see a resurgence of funding and investment for biotech companies. Other geographies, like Japan, have been more stable (at least on the private side), but they don't tend to have the same overall level of activity as Boston, despite the ups and downs of the market here.

What emerging trends do you see in the Boston area in biotechnology?

There was a trend of early stage companies using investor money to commit to platform plays that were essentially scientific experiments to farm data sets. In response, investors now want to see more robust data sets and de-risking closer to IND before they'll consider investing.

What factors do you consider when evaluating startups to invest in?

We look for companies or concepts based on a strong foundational technology and a good data set. From there, we look at the applications of the science, not just in the initial market, but at the overall potential for expansion into various other markets and how it would stand up to what's currently being developed. After all that, it's looking at the team that they have assembled and who the key players are.

What do you believe is the most effective strategy for Japanese startups to connect with VCs and investors in the Boston area?

The most effective strategy is to seek introductions from their own advisors or shareholders, everything else outside of that is effectively a cold call. With the amount of noise that US biotech investors have to sift through on the daily, it can be hard to stand out. Being able to get a warm intro through your mentors or investors, someone that has their own skin in the game for your success, will help you out with reaching those investors.

Is there any other advice you want to share with our community of Japanese startups?

It would be wise to look at how global biotech companies are being built and to take lessons from them on how to create a technology platform, or drug candidate, that will be a potential target for acquisition or partnership.

Also, make sure that you're selective with the shareholders that you have on your cap table. There's been a trend to accept capital from anywhere, ending up with shareholders that don't benefit your company. If you're looking to build a global competitive company that's attractive to pharma, build a cap table of investors that have similar views and complementary skill sets to achieve those goals.