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New Nidus raises \$3 million from Monsanto, Bunge

St. Louis Business Journal - by [Angela Mueller](#)

It's out with the old and in with the new for the **Nidus** name.

Monsanto Corp. and **Bunge Ltd.** each have invested \$1.5 million to jump-start Nidus

Investment Partners, a newly formed entity that will focus on advancing technologies in the agricultural and energy fields.

Meanwhile, the **Nidus Center**, the plant and life sciences incubator that launched 10 years ago, will merge its operations with the Bio-Research & Development Growth (BRDG) Park. The Nidus Center moved last summer to BRDG Park, located on the campus of the **Danforth Plant Science Center**. BRDG provides wet labs, office space and on-site work force training for life sciences and clean-tech companies. BRDG will take over the leasing and service activities for existing Nidus Center clients, according to Vicki Gonzalez, former president and CEO of the Nidus Center and a managing partner of **Nidus Investment Partners**.

The nonprofit Nidus Center provided lab and office space, as well as business support, to local startups such as Apath, a pharmaceutical discovery firm, and **Divergence Inc.**, which is working to prevent crop damage from parasites.

"The Nidus Center as an incubator followed the traditional model of providing a facility for new companies," Gonzalez said. "We felt that BRDG Park and St. Louis County's Helix Center have picked up the need for facilities in the area."

St. Louis County is investing \$7.5 million to open the Helix Center, an incubator for plant and life sciences firms, in a former Creve Coeur office building that is adjacent to the Danforth Center and BRDG Park.

About 18 months ago, Gonzalez began talking with Tom Melzer, managing director of **RiverVest Partners**, and other local venture capitalists as well as executives from companies such as Bunge and Monsanto about how to help move early-stage technologies from the lab into the market place. "Through those discussions, the idea of the partnership came about," Gonzalez said.

Joining Gonzalez as Nidus managing partners are Mich Hein, founder of Epicyte Pharmaceutical and Heliose and former CEO of **Chromatin Inc.**, and Ted Briscoe, former CEO of **TeraVista Systems** and **Vibe Solutions Group** and former president and chief operating officer of **Ask Jeeves**.

Nidus' board consists of Melzer; Jerry Steiner, executive vice president of sustainability and corporate affairs at Monsanto; Fred Luckey, executive vice president at Bunge; and Nicholas Reding, retired vice chairman of Monsanto.

Nidus Investment Partners purchased the Nidus name and logo to carry on the tradition of building up entrepreneurial ventures. The partnership was created to speed up the commercialization of agricultural and energy-related technologies by bringing together the market knowledge of corporations such as Monsanto and Bunge, the expertise of entrepreneurs such as Gonzalez, Hein and Briscoe, and emerging ideas from universities, scientists and labs worldwide.

"It is sort of an interesting step forward in thinking about how to commercialize technology," Melzer said. "Often making the match between the technology and the entrepreneur that is going to take it forward is kind of a tenuous prospect. Maybe in Boston or Silicon Valley, you can count on entrepreneurs walking the halls of academia and making a connection, but that doesn't happen everywhere. The Nidus partnership is closing that gap."

The partnership will provide up to \$250,000 in early-stage funding for each selected technology. Gonzalez anticipates the partnership will review about 100 technologies each year and select five to seven with which to work. The selection process will be overseen by a strategic technology council led by Ralph Quatrano, dean of the school of engineering and applied science at **Washington University**.

The partnership already is working with a technology out of the **University of Chicago**, a reverse fuel cell that takes electricity and carbon

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and produces methane, a product that can be shipped and sold. Gonzalez said the partnership will be looking at technologies globally as well as from local institutions such as Washington University, **Saint Louis University** and the **University of Missouri**.

Nidus Partners is seeking six additional corporations to invest \$1.5 million each to join the partnership, to bring the total raised through corporate partners to \$12 million. Gonzalez said the partnership is in discussions with three potential corporate partners, including one from Europe. The corporate partners will have the first right to make an offer to license the technology coming out of Nidus Partners.

“It enables us to work hand-in-hand with new scientists and entrepreneurs who have identified potential solutions to the challenges growers face,” Steiner said.

Nidus Partners also plans to create a parallel \$20 million fund with investments from private and institutional investors. This fund would provide later-stage financing for the developing technologies. Gonzalez said the partnership is currently focused on securing corporate partners and identifying potential technologies and has not yet started seeking private investment. “We’re really focused on getting our pipeline primed and delivering results this first year,” she said.

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