



Shareholders Q up to help raise funds

by **Aled Blake**, Western Mail | Aug 15 2007

[Recommend](#) [Tweet](#) 0 [+](#) 0 [Share](#) [Share](#) [Email](#) [Print](#)

A CARDIFF-based biotechnology company at the forefront of new drug delivery and DNA testing technology has raised more than £2m from its latest funding round.

Q Chip, which is based at Cardiff Medicentre at the University Hospital of Wales, received the money from new and existing shareholders.

It will use the money to speed up the development of its products and strengthen its sales and market [team](#).

The investment represents the latest funding round for the company since it was founded in 2003.

Among the new investors is Finance Wales, which said the investment represented its commitment to high-growth, knowledge-based businesses.

Q Chip was given funding from existing shareholders E-Synergy's Early Growth Fund, Aim listed Biofusion and individual shareholders including Jon Moulton, managing partner of Alchemy Partners.

The company has also received investment from a number of new shareholders – including Geneva- headquartered Forum des Entrepreneurs, a high net worth group of angel investors and the London-based Sustainable Technology Fund.

Mark Barry, Q Chip's chief executive officer, said, "There has been a very healthy appetite to participate in this round amongst existing and new investors.

"We have taken great satisfaction as the offer was considerably over-subscribed.

"Q Chip already has strong management and board foundations in place. Now it has the currency to accelerate the development of our products and sales and marketing channels and add new production infrastructure."



Earlier this year the company launched its ReaX Lab-in-a-Bead product portfolio – the first customised bead-based, ready assembled reagents to hit the DNA testing market.

ReaX simplifies Polymerase Chain Reaction (PCR), a widely used laboratory technique for tasks such as blood testing, the diagnosis of diseases and the identification of genetic fingerprints.

It improves reliability by eliminating basic handling errors, allows untrained laboratory staff to conduct DNA testing and removes PCR from the confines of the laboratory environment.

Combined with reductions in the time involved in setting up PCR analysis, estimated by Q Chip at up to 90%, ReaX represents a "significant opportunity" to capture productivity and quality improvements in the approach to PCR, according to Q Chip.

David Baynes, chief executive of Biofusion, said, "We were delighted when we acquired our position in Q Chip at the time of our IP commercialisation deal with Cardiff University.

"The company provides convincing evidence of the quality of investment propositions arising from its world class research base.

"Q Chip is conducting pioneering work on PCR and it has a clear view of where it is going to take it.

"We are excited at the prospect of helping it with the financial fuel needed to execute.

"This deal also represents the first of a number of investments where we expect to collaborate with Finance Wales. It clearly demonstrates the value of our relationship and the prospects for future wealth creation opportunities for the Welsh economy."

The participation of Finance Wales in the investment round signals its first deal as part of a partnership with Biofusion.

Steve Smith, director of development funding at Finance Wales, said, "Q Chip displays all the key attributes that we look for – pioneering technology, strong IP, a talented management team and clear routes to market."

Q Chip received legal advice from Michael Jones, partner at McTaggart Solicitors, and tax advice from Ritchie Tout of PriceWaterhouseCoopers.