

Rick Werner and Greg Kramer in NYBJ: Biotech Pros Say Sector Poised for Comeback in 2017

January 5, 2017 Rick Werner, Greg Kramer

PRACTICES Capital Markets and Securities

Biotech-related headlines throughout 2016 were far from positive.

Although Theranos's problems began last year, they only worsened in 2016, and stories of "pharma bro" Martin Shkreli's legal troubles never seemed to end. Also, we saw roughly half of the initial public offerings (IPOs) in the space as we did in 2015.

As the industry looks ahead to 2017, however, two biotech pros have high hopes.

The duo of [Rick Werner](#) and [Greg Kramer](#), partners at Haynes Boone's capital markets and securities practice group in New York, kept busy advising numerous emerging players throughout 2016. Now, they're optimistic that biotech is poised to make a comeback...

"As everyone knows, biotech is very capital intensive, with most new science coming from smaller independent companies, rather than big pharma," Kramer said. "With that dynamic, these companies will always need to raise a lot of cash and, often, the easiest place to do that is the public markets."

Also, public markets provide venture investors a path to liquidity when a merger or an acquisition is not possible or attractive, he explained.

The industry, during the election, was especially slow. The general consensus was that Democratic candidate Hillary Clinton was going to win the presidency, they admitted.

"As one of the central tenets of Hillary's campaign was bringing down pharmaceutical costs, I believe investors were concerned drug companies could suffer in 2017," Werner added. "As such, many stayed on the sidelines."

Excerpted from the *New York Business Journal*. To read the full article, please [click here](#) (subscription required).