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# Novo Holdings' Jee On Korea's Potential As Next Global Biotech Player

*Believer In Korean Innovation*

by Jung Won Shin

In this video interview, Novo Holdings' Noel Jee shares his views on the Korean biotech industry and innovation, including how to draw more foreign investment into the sector.

Amid South Korea's ongoing efforts to show case its homegrown biopharma technologies and draw foreign investment into the sector, it is essential to learn how potential investors outside the country view the domestic industry and what could be further improved to attract overseas capital and collaborations.

*Scrip* talked on these and related topics to Noel Jee, principal, Growth Investments at Novo Holdings Equity US Inc., who has visited Seoul several times in recent months to participate in conferences, where he has discussed subjects including foreign investment and the Korean biotech industry.

"I'm a believer in Korean innovation and the work ethic of the Korean people. So if I could tell you my personal roles for Korea as an investor, I want to prove to both myself and other investors in the US, Europe, everywhere outside of Korea that you can make great returns by investing in Korea," Jee said in the video interview.

He hopes personally "to play a role in really helping to bring Korean biotech to become the next big player in the global market."

## Government Role Critical

However, the country should first make sure to have a healthy biotech ecosystem and here the government can play a critical role to help provide incentives to drive exports and capital from the US, he suggested.

Wholly owned by the Novo Nordisk Foundation, Novo Holdings is the controlling shareholder of [Novo Nordisk A/S](#) and [Novozymes A/S](#) and manages an investment portfolio with a long-term return perspective. Through its seed, venture, growth and principal investment teams, Novo Holdings invests in life science companies across all stages of development. As of the end of 2022, it had total assets of €108bn (\$117.3bn).

Following a meeting between a Korean delegation, including the Ministry of Health and Welfare, and foreign investors including Novo Holdings, in the US earlier this year, Jee said he hoped to see an expansion of communication with the Korean government going forward and certain official initiatives to attract foreign investors and, more critically, talent from the US to add value to the Korean ecosystem.

## Korea Good At 'Making Version 2.0'

Jee observed the well-developed infrastructure, including in IT and hospitals, especially around Seoul. At a population level, there is a "fantastic work ethic" combined with very high education, especially in the sciences.

"I think America will almost always be the leader. I'm a believer in American innovation. In the early-stage science, nobody will ever match America," Jee commented. "The NIH and the grant funding agency for the scientists across all these universities in America, nobody comes close to matching the amount of research investment as we see in the US today. Nor do we really see the amount of research talent compared to the US, with all the great universities and great professors."

But where he thinks Korea is potentially even better is at leveraging the infrastructure and ecosystem that they already have. "The US funds fantastic, very basic discovery science and Koreans have constantly surprised me in the biotech companies in creating and taking all of these discoveries together and creating products out of them that are differentiated," Jee said.

Especially with a strong engineering culture, this means that Korean is often very good at making a Version 2.0 of a new drug modality, for example. "And guess what? Version one always has some issues right? iPhone 1 had issues, iPhone 2 was much better and iPhone 3 was much better."

Korean has particular expertise in turning a new idea into something applicable to everybody. "That's the type of thing that I think is a real strength. And when you think about a drug, you

don't want to have a drug that's not the best-in-class, right? You want less toxicity, you want more efficacy.”

He also pointed out the country’s manufacturing capabilities across sectors has always been strong. “Where does that matter a lot? Drugs. You have to have pristine manufacturing...it should be embraced and harnessed to make Korea a real leader in everything. There's a reason why [Celltrion](#) is a big company and [Samsung BioLogics](#) is a big company.”

Innovation, top-tier science and engineering and a very hard-working society - “You put that together and you can create a lot of magic,” he added.

### **Startups Still Face Obstacles**

While Jee is passionate about Korean biotech and the entire ecosystem, he believes it may take some time before US investors start investing directly into the space for various reasons.

Startups in the country do still face multiple obstacles, a significant being development talent. “Discovery research is just like the first 5% of the drug development journey. Once you have that molecule and you want to test it in patients, the amount of coordination and expertise that all have to come together to execute and create one approved drug is, I would argue, similar to building the International Space Station. It is just such a complicated and complex process.”

And unlike pure engineering of something mechanical, every indication and therapeutic area has its own unique twist. “And so really, what you need is people with this experience, that know-how to take a drug from the lab where things get made. And I think a lot of Korean companies can do this very well.”

But then that other long journey of 95% requires much more than just smart scientists and great innovative people, including a large number of experts that can, in a closely coordinated effort, create a real drug from the original science.

”And I think people with this type of experience, it's just very hard to find in Korea today because the industry is younger than in the US by a large margin. I will tell you, finding people with this type of experience is hard in America too. So you can imagine how much harder it might be when the biotech ecosystem is much younger.

”So I think that's not because the startups are bad or the innovation's bad. It's the reason why people come to America for biotech, I'd say.”

### **Video Time Stamps**

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