Here are answers to the unanswered questions in the chat (and sent subsequently).

1. You stated “$27M ROI received.” What was the ADDF investment that resulted in that ROI, and how long ago? Total time was over 24 years with $209M invested in 600 projects. About a dozen of these projects have paid out the $27M with 5 in the last two years totaling $19M with four being companies that did initial public offerings and one biotech that was bought by a Japanese pharmaceutical firm.

2. In general, what does a phase 2 clinical trial cost? Anywhere from $15M to $150M.

3. What is the range of investments ADDF is making? Typically, now between $1M and $5M.

4. Distinguish between funding innovative science vs stage (preclinical/clinical). We view all of it as innovative...right now the bulk of it (87%) being in clinical 40% in Phase 1 and 60% in Phase 2. The 13% preclinical is primarily late stage preclinical.

5. When you contract with institutions, do you enforce a smaller F&A% like most foundations? Or do you need to allow a higher % to be able to share in potential profits? Actually all of our contracts specify none of the money can go to F&A. Every now and then we will make an exception, but it is rare.

6. You reference return on investment as purely serendipitous, are you comfortable sharing how much serendipity there has been? $27M since inception with $19M of it coming in the last 3 years.

7. Are you talking with the donors or their staff? And do people make multi-year pledges? Both although the majority is with the donors themselves (sometimes with their staffs...we see a lot of private foundations/family offices where the principal has an interest in Alzheimer’s often fueled by personal experience). And yes we have multi-year pledges, we follow the donors lead on how they want to make their donation.

8. Mark mentioned outcomes/successes of the ADDF work, such as “Brought first diagnostic PET scan and first diagnostic blood test to market” and “$27M ROI since inception.” My question is, the outcomes/successes mentioned are long-term outcomes that may take at least a few, if not many, years to achieve. In the meantime, does ADDF track short-term outcomes/successes and intermediate outcomes/successes? Can they provide examples? What does ADDF communicate to investors while a project is ongoing and does not yet have results? We do track short term and share constantly through communique’s like “CSO Notes” from Dr. Fillit that will highlight our investees if they are getting published, are in the news, speaking at major conferences, etc. We also now regularly hold Zooms with our top researchers for donors. We host a lecture series in Palm Beach and symposiums tied into fundraising events in NY and DC. We host small private
dinars both in donors’ homes as well as in private rooms in restaurants. We lay out the broader narrative that the research is part of so that donors can see the progress. Lately we have been ending all these sessions with here are the three or four things that are now new in the last three years. And here is what you can reasonably expect in the three to five years ahead. Our donors have a decent science IQ and an appetite for the risk.

9. Mark mentioned that venture philanthropy is a high-risk endeavor. What does ADDF track for investments that did not pan out? For example, do they track and communicate to investors something like – *X initiative did not achieve X results, but we learned from this work that X pathway is not a realistic option for reducing inflammation.* Similarly does ADDF set a baseline for the % of projects they expect will achieve planned goals? If yes, what percentage? 20%? Lower? We are derelict on what has not panned out although are now beginning to review the past/dormant portfolio both to see if there are royalty/security options as well as for science opportunities given the field continues to evolve.

10. For John Walker regarding LLS (though now at Food Allergy Science Initiative). How did you get the board of LLS to follow you in your endeavor to pivot some of the academic investments to for profit? Even though the program began unofficially in late 2007 full adoption by the board occurred in 2010. I made some enemies in the process, but it was the right thing to do. Suffice to say this was not an easy task particularly in light of the number of academic scientists on the board at the time who suggested that it was “too risky”, a bit ironic of course since what is more risky than basic science if cures are the mission. It took nearly 2 years of diplomacy and benchmarking against CF and JDRF who at that time were the only other large health agencies with a venture program to get it fully approved by the board. There was a small skunk works program initiated in advance of a more robust allocation of the research portfolio. In the end it was value proposition, alignment to mission and a small group of board members that were behind it. That got us over the finish line in the end. Not for the faint of heart as some members were passionately against it. With so many other agencies in the space it should be more acceptable today, but there are right and wrong ways to approach this. You need to set up a committee with a charter separate and apart from traditional SAB’s for starters.