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Gail Maderis, the Boston Biotech Exec Who Came Home to SF, Seeks to Give Back at BayBio

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[Gail Maderis](#) built a career as a biotech executive in Boston, where she got involved early enough to help shape the rules of the industry that companies live under today. But after more than two decades in New England, Maderis has become one of the key players in the San Francisco Bay Area, the place where she grew up, seeking to make sure northern California remains the world's No. 1 cluster for biotech.

"I had heard about it for years, but you really have to live it to understand just how entrepreneurial we are here in the Bay Area," Maderis says. "When I moved here in 2003, I'd say if you lined up 10 random job applicants in Boston or out here in San Francisco, about eight of 10 in Boston would go to a large pharma or large biotech given a choice between a startup and a large company. Out here, eight out of 10 would go to the startup."

That entrepreneurial fire, Maderis says, is what makes the Bay Area special. "When you look at almost every new trend, from personalized medicine, to stem cells, to health IT, we're way out ahead in the Bay Area relative to Boston and the rest of the East Coast."

That kind of comment could be dismissed as bluster from another local trade association boss who lacks global perspective, but Maderis doesn't fit that mold. Maderis, 52, is a native of the Bay Area who came back home after a two-decade run that took her through Harvard Business School, Bain & Company, and the executive ranks at Genzyme as that company became a biotech powerhouse in the 1990s and early 2000s. After a six-year run as the CEO of a Kleiner Perkins-backed biotech startup, [Five Prime Therapeutics](#), she now finds herself as the CEO of the Bay Area's biotech trade association, [BayBio](#). I sat down with Maderis a few weeks ago at BayBio's offices to ask her about the life journey that has led her to become such a vital builder, organizer, and promoter of northern California's biotech cluster.

Maderis's education in the healthcare system and her journey toward biotech started when she was a young girl growing up in the East Bay. Her mother worked for the city of Berkeley in public health as a nurse practitioner. Young Gail was intrigued by science then, but not in the same way as her identical twin sister, Ann. The two sisters stayed close to home to attend UC Berkeley in the late '70s, where they made their fateful career choices. Ann would become the scientist, and Gail would be the businesswoman. Maderis' sister, now known as [Ann Stock](#), went on to a distinguished career as of the Howard Hughes Medical Institute investigators at the Center for Advanced Biotechnology and Medicine at Rutgers University in New Jersey.

"When she decided to be a scientist, I dropped all my courses and never looked back. I got a business degree," Maderis says.

Maderis was one of the ace students at the Haas School of Business, graduating with honors in 1978. The biotech revolution was just getting started across the Bay at Genentech in South San Francisco, but she didn't join the industry in those early days. Out of Berkeley, Maderis took a job at Shell Oil in Houston, TX where she controlled financial reporting for a \$4 billion subsidiary. Four years later, she left to get her MBA at Harvard Business School, where she got exposed to healthcare strategy under the noted professor Michael Porter in the mid-'80s. That ticket to the big-time world of business brought her to a consulting job with Bain & Co. By this time, the first generation of biotech companies—Genentech, Amgen, Chiron, Biogen, Immunex—had all made headlines in the heady early days of the industry when anything seemed possible. Except the companies were burning loads of cash, had nothing much of substance to sell, and couldn't afford to hire expensive consultants like Maderis and her team at Bain.

The way Maderis got hooked on biotech was more through the back door, through pharma companies that were essentially late to the party. "Pharma companies and healthcare providers then were looking at 'what is biotech and how do we get into it?'" she says.

Digging into the biotech industry in the late '80s and early '90s taught Maderis that she really enjoyed getting to know the people, the science, and the business of biotech, moreso than other projects she might have worked on. In 1992, Maderis chose to join one of the few hot biotech companies run by a businessman rather than a scientist—Henri Termeer. She joined Genzyme that year in corporate development, and within a year worked her way up to vice president and business manager of the company's gene therapy program for cystic fibrosis.

This was a fascinating project for anyone from Harvard or Bain. Cystic fibrosis is a genetic disease caused by a single malfunctioning gene, which causes a buildup of thick sticky mucus in patients' lungs, and usually kills people before the age of 40. Researchers thought that since the specific gene had been identified for cystic fibrosis, it stood to reason that this disease out to be cured by gene therapy. The concept sounded simple—attach a properly functioning copy of the gene to a virus which would efficiently shuttle it inside cells and do its job.

Longtime biotech followers know it wasn't that simple. There is no cure today for cystic fibrosis, and there is no gene therapy yet approved by the FDA for sale in the U.S.

But there were still fascinating things for Maderis to learn on this project. She had to work on corralling all sorts of intellectual property for the whole gene therapy package, which hadn't been done before. The business strategy was being crafted at a time when gene therapy was essentially unregulated. If Genzyme was going to be successful in gene therapy, then Maderis needed to learn a lot more than just the dynamics of the market, physicians, pricing models, and the competitive landscape. It forced her to engage with regulators to talk through the issues, to testify before Congress when lawmakers had their inevitable concerns.

"Henri was visionary in saying it's a new industry, the science is always going to be one step ahead of where the regulation is, and we need to help craft it, and help people understand it, so we can craft an appropriate business climate and regulatory environment to support what is a very dynamic and new industry," Maderis says.

As the years went by in the late '90s, the next big thing was genomics and the highly publicized Human Genome Project. Maderis conceived of a division at Genzyme, called Molecular Oncology, which had a tracking stock that went public in 1998 on the idea of using genomic data for cancer. Maderis worked out two dozen partnerships with many of the big names in Big Pharma, oversaw 100 employees, and told the company's story to Wall Street.

By 2003, Genzyme had given up on the idea of tracking stocks, and consolidated everything under its corporate banner. This was also year after Enron, Worldcom, and other corporate scandals gave rise to the Sarbanes-Oxley Act, generally making it clear to Maderis that life at a public company "had a lot of downsides."

That was the year she was wooed back to California. Lewis T. "Rusty" Williams, the former head of R&D at Chiron, along with investors at Kleiner Perkins Caufield & Byers, Versant Ventures, and Texas Pacific Group recruited her. The cast of wooers included none other than VC legend [Brook Byers](#) himself. The concept was to build a new protein drug discovery engine, based on \$70 million of prior R&D from the Japanese government, for a company called [Five Prime Therapeutics](#). Williams and Maderis knew each other "by reputation," Maderis says, as leaders at fellow big biotech companies. Maderis also wanted to return to the Bay Area to be closer to her mother, who was in failing health. So she said [yes to](#) her first experience as a biotech startup CEO, and joined in September 2003, the same time the company raised \$12 million in its second round financing.

"It was about the ability to get in on the ground floor in a company with exciting technology, build out the platform, a pipeline, and provide huge value to Big Pharma in partnerships. It was an interesting model," Maderis says.

Maderis stayed at Five Prime until June 2009, when she stepped down for health reasons. During her time there, the company was one of the early startups to move into San Francisco's Mission Bay district, and built an array of partnerships with Pfizer, Johnson & Johnson, and Boehringer Ingelheim. The company hasn't come close to developing an FDA approved product, although it does have a lead cancer drug candidate in clinical trials.

The demands of being a startup CEO took a toll on Maderis, who was diagnosed in 2006 with multiple sclerosis, the neurodegenerative disease that can rob people over time of their vision and ability to walk. Maderis manages her condition by taking a biotech drug (she wouldn't say which).

She had hoped to take some time off when she left Five Prime in June 2009, but it was really just a short-lived hiatus. She was on the board of BayBio, and her fellow board members, and the organization's staff, did some "arm-twisting" to get her to take on the job of BayBio CEO when Matt Gardner resigned in October. Maderis said she figured she would do it on an interim basis until a permanent successor could be found.

But, as with her earlier experience at Genzyme and Five Prime, she found herself "hooked." After going through the search process for a full-time CEO, the Board decided that Maderis would be the permanent CEO, albeit with an heir apparent in new chief operating officer [Jeremy Leffler](#), whose hiring was

announced in March. This means that Maderis has agreed to be sort of a half-time, semi-permanent CEO of BayBio until she hands over the top job to Leffler. When I joked that half time probably means 50 to 60 hours a week for her, she laughed.

“It’s been about 50 to 60, exactly, how did you know?” Maderis says.

That certainly is more balance between work and life than a lot of people have at startups, and Maderis knows it. She has no kids, but she made a point that she values her spare time now. She’s an avid hiker, with some favorite spots in Marin County and in the Tuolumne meadows of Yosemite National Park. She likes to go cross-country skiing (which is one big advantage to life in Boston, she concedes), and she’s also a member of gourmet cooking club.

While I tried to keep the conversation focused on her life, Maderis had the habit of bringing the spotlight back to the work of BayBio which she finds so exciting. There is public policy advocacy, support for science education, networking events to help her organization’s members, and help for startups in raising capital. She acknowledges that Boston has some advantages over the Bay Area—more big companies that insulate the region from downturns, more Big Pharma dealmakers on the prowl, to name a couple—but she insists that the **entrepreneurial spirit** makes San Francisco the best place in the world to start a biotech company. Her job is to keep it that way, and help take it to another level.

She sees her time at BayBio as an opportunity to make an even bigger impact for an industry that gave her an exciting career, and a therapy that helps her live an active life with a serious chronic disease. “Having watched the industry grow up, and having benefitted from it personally and professionally, it’s a great opportunity to give back,” she says.

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