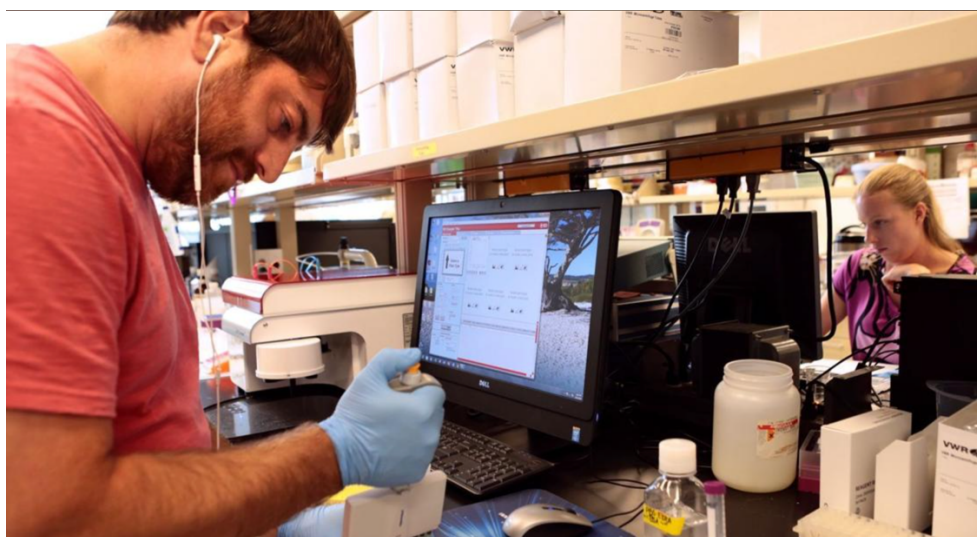


BioGenerator plans to 'quadruple down' on St. Louis biotech startups

Post Dispatch Dec 7, 2025



David Nicklaus

Few, if any, institutions aiding St. Louis entrepreneurs can match BioGenerator's bang for the buck.

The startup-serving arm of nonprofit industry group BioSTL has invested \$50 million in 130 local companies over the past two decades. Those firms have raised nearly \$3 billion in capital, most of it from out-of-state investors.

On top of that, the group's BioGenerator Labs provide lab space and equipment for 40 startups and office space for three dozen more. Many of the firms wouldn't exist, or would have been lured to the coasts, if not for the helping hand.

But Jim McCarter, BioGenerator's senior managing director, doesn't think it's enough. "We believe one of the fastest-growing sectors in the St. Louis economy is life sciences, and we must quadruple down on that opportunity," he said.

He's seeking investors for two for-profit, venture capital funds that would invest a total of \$40 million over the next five years, augmenting the smaller annual investments BioGenerator has been able to make as a nonprofit.

The Hypha Life Sciences Fund, in partnership with Cultivation Capital of St. Louis, will invest in what McCarter calls the “picks and shovels” of biotech: research tools and services for the pharmaceutical and agriculture industries. BioGenerator has successfully launched several such firms in the past, including [Confluence Discovery Technologies](#) and [Solis Agrosociences](#).

The second fund, BioSTL Redesign Health Venture Studio, will invest in digital health startups, including those using artificial intelligence to solve medical problems. It will partner with Redesign Health, a New York venture capital firm.

Redesign Health, McCarter said, sees St. Louis as a good place to invest because of the area's concentration of large health care firms, from hospital chains to pharmacy-benefit giant Evernorth.

The team launching Hypha Life Sciences includes David Smoller, a [serial entrepreneur](#) and Cultivation Capital general partner; Cory Berkland, a Washington University professor of biomedical engineering; and Tom Cohen, co-founder of Panome Bio.

Smoller said the group has already identified two potential investments, including an idea from of Berkland's students.

“We're actually going to build companies from scratch in what's called a venture studio model,” he said. “With the expertise of people like Cory and myself we'll take an idea, set up the corporation, put formality to it, put resources and people to it.”

Research-tools companies, Smoller said, are attractive because they can become profitable — and create jobs — relatively quickly, without the regulatory hurdles faced by a new drug or medical device.

If they launch next year, the two new funds could help alleviate a yearslong money drought in their targeted sectors. Last year, venture capital investments in biotech fell to their lowest level in five years, and this year is on pace to be even lower.

Many entrepreneurs are struggling to raise money or having to accept reduced valuations. “Funding for new biotech startups has really dried up,” McCarter said. “A number of companies are not going to make it through this period.”

He wants to bring a new urgency to what's always been an urgent need in St. Louis. In addition to raising money for the two funds, McCarter said, BioGenerator and BioSTL will launch a charitable giving campaign next year to broaden their donor base.

Martha Schlicher, who's launched four agtech companies with the help of BioGenerator, believes any donor's or investor's money will be well spent.

“I'm passionate about the impact of it,” she said. “It's created an ecosystem that is really unusual for its ability to foster and support new startups.”

David Nicklaus is a retired Post-Dispatch columnist who continues to follow the St. Louis business scene. Contact him at dnickstl@gmail.com.