
Leadership Development Through Live Cases

The Challenges of SF500 Leading a Human Centered Bio-revolution (2022)

This case will be used to reflect and motivate action on a topic that is gaining relevance in recent years: the collective action and articulation between companies, governments, and NGOs to solve economic, social, environmental, and community challenges, which is at the heart of SDG 17 of the Sustainable Development Goals.

What follows is a description of the initiative, the key challenges and milestones during its development up to the moment of the presentation of the live case, with links to sources of information where you can deepen the topic. Appendix I has the link to the seven questions and criteria for developing sustainable ecosystems and communities.

SF500 Challenges

- 1- SF500 was born with a strong imprint of collaboration, person-centeredness, and the purpose of carrying out a cultural transformation: #biorevolution. How can we transmit our DNA to startups, respecting the startups' identity, their mission, and the freedom of the founders? How can we achieve a healthy and accelerated growth, maintaining the trust and attention to the individuality of the founders? How can we measure tangible progress in our purpose?
- 2- How do we do to attract the Argentinian talent trained in business - today, aiming for corporate careers or dedicated to IT and traditional companies - so that, together with scientists, they lead the birth of the next 500 startups biotech in Argentina? How do we improve our value proposition for businesspeople?

Context

In the last decades, biological sciences have made impressive advances. Knowledge is going to transform entire economies and societies; in particular, Life Sciences encourage us to think about the models of the future: carbon neutrality in products and processes; translational medicine to improve the health and well-being of society; functional foods, both specialized and sustainable; and biomaterials: renewable for all industries.

Francisco Buchara, Lucía Brengio, Florencia Locascio and Héctor Rocha prepared this case in Pilar, Buenos Aires, Argentina, in May 2022. Edited under Creative Commons license to serve solely as the basis for class discussion. Cases are not intended to serve as endorsements, sources of primary data, or illustrations of effective or ineffective management.

Life Sciences have shown their potential to provide global solutions to the most urgent challenges we face as humanity: environmental crises and social scourges such as hunger, access to water and health.

In Argentina we have a great opportunity in Life Sciences because of the potential of our scientific system, alongside with a productive platform in Agroindustry, Health and Industrial Biotechnology, competitive in an international level.

The scientific talent of our country is recognized worldwide, and our country has the conditions to promote this talent and project it towards the business world.

Tech and Biology Intersection in Argentina



3 NOVEL PRIZES in Life Science (unique in LATAM)



CONICET: 11,460 researchers in Life Science (63% of total)



Argentina is one of the **12 countries** in the world with platforms to produce **COVID-19 vaccines**



USD 210 M invested in VC during 1S 2021
11 technological unicorns

Support Organizations



+10 years-old Argentinean Chamber of Biotech companies (CAB)
The recently created CAB-Startup, with 65 members.

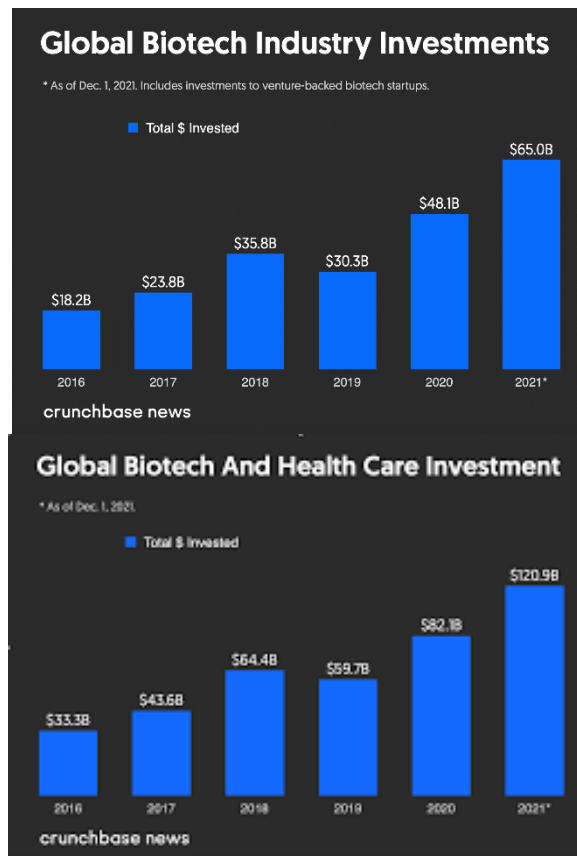
Argentinean Company Builders and Accelerators that support Biotech Startups:



VIDA



International Investments



There are numerous institutions, initiatives and investors that favor the positioning of the local biotechnology sector. The services offered are multiple and varied, from infrastructure, training, mentoring and contact networks to professional investment in companies with high potential.

Science-based companies are a great opportunity; however, they are not yet fully spread among business entrepreneurs in our country.

SF500 was born with the purpose of promoting the birth of new technology-based companies (EBT) in Life Sciences. It is a person-centered organization that develops conditions for talent to grow, respecting life and dignity of all creatures.

SF500 carries out a cultural transformation, called #biorevolution. By empowering 500 new startups, SF500 accelerates the link between science and businesses to solve big challenges for Humanity and the Planet.

What is SF500?

SF500 is a Fund that seeks to facilitate the birth of 500 startups in Life Sciences in Argentina in the next decade. For this, SF500 promotes and invests in scientific-technological projects at early stage.

VERTICALS OF FOCUS



Carbon Neutrality



Functional Food



**Health and
Wellness**



Biomaterials

How does SF500 do it?

SF 500 does this through an integrated approach based in four pillars:

- ✓ To develop capacities in scientific-entrepreneurial teams with a company building program.
- ✓ To finance the early development of EBT, investing in the company from its creation.
- ✓ To facilitate access to labs for EBT to carry out its activities.
- ✓ To connect the EBT with referents of Life Sciences.

SF500 looks for researchers and entrepreneurs motivated to solve global problems associated with the Sustainable Development Goals of the United Nations in topics such as Functional Foods, Health, Agriculture and Carbon Neutrality, Biomaterials, and who have a solid scientific base and a project with experimental validation at laboratory scale (TRL3).

How does SF500 promote the creation of projects?

SF500 develops an ecosystem for the creation of projects through several activities:

- It works from a logic of collaboration, with agreements with strategic partners, public and private, to achieve synergies.
- It prioritizes speed and volume in the search, construction and growth of startups. For this reason, the capacity and speed of developing partnerships with various actors, guided by the criterion of subsidiarity, is critical for developing a capillarity in all the innovation hubs and, at the same time, generating recognition mechanisms for each actor in the chain: state, CONICET institutes, companies, researchers, incubators, mentors, founders, other funds, among others.
- It visits the most important research institutes in the country, presenting the proposal and encouraging scientists to undertake.
- It generates linking activities, workshops and diffusion campaigns to promote links and contacts between scientists and businessmen, and in this way, new projects arise.
- It collaborates with initiatives that strengthen the ecosystem.

- It participates in the spaces where the actors of the sector work together to create macro conditions that favor biotech companies and the creation of knowledge.

Entrepreneurs' Community

Most of the teams that apply to SF500 programs are composed only by scientists. We have developed a Team Building Strategy to help startups build the best team that suits their objectives. We help them find a business co-founder, or access to consultants, or to executive education (We have scientists that want to become CEOs!).

SF500 has a permanent scouting of business talents: we have frequent presentations in Business schools, events and entrepreneurs' groups. It is complemented with communication campaigns in LinkedIn, 1-o-1 interviews with referred candidates, and tailor-made programs with universities.

Even if they are not part of a particular startup, business talented people can be part of the SF500 community participating of demo days, workshops, and webinars together with founders. In addition, senior profiles are invited to join our mentors' network.

The match is not mandatory and it is the startup who decides its team building strategy, but a team with all the necessary abilities is crucial for global success.

Milestones

The SF500 team officially began working on the project in August 2021, after the signing of the agreement between Bioceres and the Province of Santa Fe for the constitution of the fund.

From then on, it began to receive and evaluate projects based on science and technology.

In March 2022, the presentation event was held, the first major public appearance of the SF500, with 400 participants - leaders of the scientific system, the business world, and representatives of the public sector.

Up to September 2022:

- + than 240 applications received,
- 24 projects have participated in the Company Building Program (SFBUILD),
- 5 startups invested, and 7 more were approved by the Investment Committee.

We expect to finish 2022 with 8 startups invested.

Portfolio



Details

Size of the Fund	USD 300 million. USD 30 millions per year, expandable if necessary
Legal Status	Private Financial Trust. Trustee: Rosario Fiduciaria
Lifecycle	Early Stage: Pre-Seed (Idea) + Seed (minimum viable product)
Approach	80% Company Builder + 20% Ecosystem Builder
Participation	Minority holdings (max 25%) in companies with scientific base
Currency	Integration in pesos, certificates of participation in official USD. Long-term “dollar-linked” investment
Fees	1.5% management fees and 20% success fees
Term	10 years expandable to 15 years = 10 years of investment + 5 years of exit strategy
Investment Committee	Seat at the Committee for investors with more than 10% at the time of making the investment.

Links

- SF500 presentation event: [https://sf500.com.ar/eventopresentacion/?utm_source=email_marketing&utm_admin=161980&utm_medium=email&utm_campaign=Reviv la presentacin de SF](https://sf500.com.ar/eventopresentacion/?utm_source=email_marketing&utm_admin=161980&utm_medium=email&utm_campaign=Reviv%20la%20presentacin%20de%20SF)
 - La Nación - Article: <https://www.lanacion.com.ar/tecnologia/sf500-un-fondo-de-inversion-rosarino-invertira-us-300-millones-para-crear-500-nuevas-startups-nid29032022/>
 - Interview to Federico Trucco: <https://www.lanacion.com.ar/opinion/la-repregunta-federico-trucco-en-la-argentina-podemos-construir-conocimiento-a-una-fraccion-del-nid08052022/>
 - Forbes - Article: <https://www.forbesargentina.com/innovacion/sf500-sale-caza-emprendedores-biotecnologicos-el-desafio-transformar-conocimiento-soluciones-globales-n14078>
 - Bioceres. Interview to Federico Trucco: <https://www.cronista.com/apertura-negocio/empresas/empezaron-en-el-2001-con-600-cada-uno-hoy-facturan-us-177-m-y-cotizan-en-nyc-bioceres-el-proximo-unicornio-a-fondo/>
 - Miniseries 20 years of Bioceres: <https://youtu.be/2brKU-qH6GI>
 - Moolec Science: <https://moolecscience.com/>
- https://www.weforum.org/agenda/2021/10/technology-trends-2021-mckinsey/?utm_source=sfmc&utm_medium=email&utm_campaign=2759998_Agenda_weekly-15October2021&utm_term=&emailType=Agenda%20Weekly

APPENDIX 1

SUSTAINABLE INTEGRAL DEVELOPMENT OF ECOSYSTEMS AND COMMUNITIES THROUGH COOPERATION

[LINK](#)

References

ACEMOGLU, D., & ROBINSON, J. A. (2012) *Why Nations Fail: The Origins of Power, Prosperity, and Poverty*. NY: Crown Business.

ARISTÓTELES (1984) *Ética a Nicomaco*.

Banco Interamericano de Desarrollo (2017) *Eco Integración*: [LINK](#).

CASTELLS, M. AND HIMANEN P. (2002). *La sociedad de la información y el estado del bienestar: el modelo finlandés*. Spain.

CURD, M. AND J. A. COVER (1998) *Philosophy of Science. The Central Issues*. London, W.W. Norton & Company Ltd.

DATAR et al. (2010) *Rethinking the MBA. Business Education at the Crossroads*, Harvard Business Press.

DONALDSON AND WALSH (2015); PIRSON (2017)

DRUCKER, P. F. (2003) *A Functioning Society: Selections from Sixty-five Years of Writing on Community, Society, and Polity*. Routledge.

HALL, P. A., & SOSKICE, D. (Eds.). (2001) *Varieties of Capitalism: The Institutional Foundations of Comparative Advantage*. OUP Oxford.

HOLLENSBE, E., WOOKEY, C., HICKEY, L., GEORGE, G., & NICHOLS, C. V. (2014) Organizations with Purpose in *Academy of Management Journal*, 57(5), 1227-1234.
https://ink.library.smu.edu.sg/cgi/viewcontent.cgi?article=5623&context=lkcsb_research
[h](#).

HOLLINGSWORTH, J. R., & BOYER, R. (Eds.). (1998) *Contemporary Capitalism: The Embeddedness of Institutions*. Cambridge University Press.

LAUDATO SI (2015)

http://w2.vatican.va/content/francesco/es/encyclicals/documents/papa-francesco_20150524_enciclica-laudato-si.html.

MESSNER, J. (1976) *La cuestión social*. Madrid, Rialp.

MCLUHAN, M. & POWERS, B. R. (2002) *La aldea global*. Editorial Gedisa. ISBN 8474324033.

MURCIA, M. J., et al. (2018) Business Schools at the Crossroads? A Trip Back from Sparta to Athens in *Journal of Business Ethics* 150(2): 579-591.

NACIONES UNIDAS, *Objetivos de desarrollo sustentable*: <https://www.un.org/sustainabledevelopment/es/objetivos-de-desarrollo-sostenible/>.

NAHAPIET, J., GRATTON, L., & ROCHA, H. O. (2005) Knowledge and Relationships: When Cooperation is the Norm in *European Management Review*, 2(1), 3-14.

PIEPER, J. (2018) *Las virtudes fundamentales*. Ediciones Rialp.

PIKETTY, T., & SAEZ, E. (2014) Inequality in the Long Run in *Science*, 344(6186), 838-843.

ROCHA, H. AND D. B. AUDRETSCH (2022) Entrepreneurial Ecosystems, Regional Clusters, and Industrial Districts: Historical Transformations or Rhetorical Devices? in *The Journal of technology transfer*: 1-24.

ROCHA, H., PIRSON, M., & SUDDABY, R. (2021) Business with purpose and the purpose of business schools: Re-imagining capitalism in a post pandemic world: A conversation with Jay Coen Gilbert, Raymond Miles, Christian Felber, Raj Sisodia, Paul Adler, and Charles Wookey in *Journal of Management Inquiry*, 30(3), 354-367. [Business with Purpose and the Purpose of Business Schools](#).

ROCHA, H., et al. (2020) Clusters, Economic Performance, and Social Cohesion: A System Dynamics Approach in *Regional Studies* 54(8): 1098-1111.

ROCHA, H. (2013) Dominant Development Paradigms: A Review and Integration in *Journal of Markets and Morality*, 16(1). [LINK](#).

ROCHA, H., & BIRKINSHAW, J. (2007) *Entrepreneurship Safari* (Vol. 12). Now Publishers Inc.

ROCHA, H. O., & GHOSHAL, S. (2006) Beyond Self-Interest Revisited in *Journal of Management Studies*, 43(3), 585-619 [LINK](#).

ROCHA, CARRERA, GOMEZ, RIVAROLA Y WILLI (2012) *Ver-Hacer-Lograr: nuevas realidades, paradigmas y metodologías activas de aprendizaje para el desarrollo directivo*, IAE.

SACHS, J., KROLL, C., LAFORTUNE, G., FULLER, G., & WOELM, F. (2021) *Sustainable Development Report 2021*. Cambridge University Press.

SEN, A. (1990) http://www.rioba.it/wwh/ec_08_annex_2.pdf.

SCHARMER, O. C., & KÄUFER, K. (2016) *Liderar desde el futuro emergente: de los egosistemas a los ecosistemas económicos*. Eleftheria.

TUCSON P.K.A. (2018) Pope Francis' Integral Human Development: An Inclusive Growth Proposal in *Humanist Management Journal* 2, 199–209 (2018).
<https://doi.org/10.1007/s41463-017-0030-x>

TUCKER, A. (2020) *Democracy against liberalism: Its rise and fall*. John Wiley & Sons.

UN Global Compact www.unglobalcompact.org.

VAZQUEZ, P. y ROCHA, H. (2018) On the Goals of Family Firms: A Review and Integration in *Journal of Family Business Strategy* 9(2): 94-106.

VAZQUEZ DE PRADA, V. (1999) *Historia Económica Mundial*. EUNSA.

World Happiness Report, 2022 <https://worldhappiness.report/ed/2022/>

ZIMMERMAN, C. C. (2014) *Family and civilization*. Open Road Media. [LINK](#).

Links

A Blueprint for Better Business [Blueprint for better business](#)
[Beyond Self Interest 2006](#)
[Business as a Force for Good](#)
[Business with Purpose and the Purpose of Businesss Schools](#)
[Collaborative Entrepreneurship for a More Humanistic Management](#)
Cooperación <https://www.austral.edu.ar/derecho/programas/programa-gestion-publica-local/>
[Desarrollo Integral Sustentable](#)
[Desarrollo integral local de regiones y ciudades](#)
Desarrollo Integral Local <https://www.iae.edu.ar/es/LaEscuela/IAEHoy/Paginas/De-la-RSE-al-Desarrollo-integral-local.aspx>

Distritos productivos o clusters

[Entrepreneurship Safari](#)

[Modelos de transformación colaborativos centrados en la persona distritos productivos o clusters.](#)

Mechanism Design: https://en.wikipedia.org/wiki/Mechanism_design

[Niños y Medios en Cuarentena: una alianza posible](#)

Objetivos de Desarrollo Sustentable <https://sustainableintegraldevelopment.com/>

[ODS y Tecnología](#)

[ODS y Ciudades](#)

What is the purpose of business and business education in a post-pandemic scenario?

[LINK](#)

[When Cooperation is the Norm](#)