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# It's Time For A Billion-Dollar Women's Health Fund

*Insights From 2023 Rising Leader And Women's Health Investor, Jessica Federer*

by **Lucie Ellis-Taitt**

Jessica Federer, former chief digital officer at Bayer, talks to *In Vivo* about making the jump into investing and why women's health is a rich and deep market set for change.

Jessica Federer was the first chief digital officer for German big pharma [Bayer AG](#), as well as the first woman to hold that role across the biopharma industry. Now, she is managing partner at Supernode Ventures, investing in early-stage companies with a focus on women's health.

"Small is really a luxury," Federer told *In Vivo* when discussing the move from a pharma giant to a new investment group. Founded in 2018, Supernode's first fund was sector agnostic. With its second fund, the group is focused on getting in as early as possible in pre-seed, seed and series A financings for women's health and healthtech start-ups.

"The companies we're seeing in women's health right now are so impactful, and the market opportunity is incredible," Federer said.

Until as recently as 1993, women were not required by law to be included in clinical research in the US. Federer noted that it has taken time for data to surface that shows how women are differently impacted by diseases and treatments. "You can't rush clinical trials, it took us decades to truly understand how women are differently impacted ... The societal, the political, the technology and the science, it's finally coming together in a way that's very actionable for women's health."



JESSICA FEDERER AT THE WOMEN'S HEALTH INVESTOR SUMMIT

Federer is passionate about changing the face of women's health, and this, she said, starts with financing. In May 2023, she helped organize the Women's Health Investor Summit. "We invited investors from all different backgrounds – VCs, family offices, foundations, governments, endowments – and we had over \$112bn represented."

She continued, "Women's health investing right now is tiny, but clearly there's so much more potential." She added that for a while women's health companies have been able to access early investment, but the downstream capital was not available. This picture, she believes, has changed. "Now, you have the giants in the space – the pharma companies, the leaders, the incumbents – you have them investing in women's health. That is driving a lot of activity."

But being in the early phase of investing, Federer said, was "fun" and "more hands on."

## Huge Market Potential In Women's Health

Still, getting people to understand the definition of woman's health is a hurdle for future growth of the market, Federer said. "Women's health is not just fertility and menopause."

The NIH definition of women's health is: *A broad category that includes health issues that are unique to women, such as menstruation and pregnancy, as well as conditions that affect both men and women, but that may affect women differently, such as heart disease and diabetes.*

"Once that's understood, it really starts to click up how much bigger the market opportunity is," she said. "Some companies are already in the space, they just don't call it women's health. If you're an autoimmune company, you're a women's health company."

The market is "definitely a lot bigger than the old traditional femtech world of fertility and menopause," Federer said.

She added, "I don't want to wait another 30 years to see changes in women's health. I want to see it in three years. We're not talking about neuroscience here. We're talking about a little co-ordination, a little prioritization, and we can completely change the field of women's health."

## The Changing Face Of Investing

"In the life sciences, there are a lot of corporate venture firms that have female investors. And

that's excellent," Federer told *In Vivo*, noting how this picture had changed from a few years prior. "But when you go over to traditional VCs, women are very much underrepresented. And that's still a big hurdle," she noted.

Change is coming, Federer believes. She highlighted a number of programs in the US aimed at encouraging female and minority fund managers. She noted action by the Bank of America, which has committed to giving more than \$500m in equity investments to minority- and women-led fund managers to support diverse entrepreneurs. The program launched in 2020, and more than 150 funds have used the equity to invest in upward of 1,000 companies. "Now, there's 150 funds out there that have more diverse investors, and they're going to be more likely to invest in diverse founders," Federer said.

Federer said she was drawn to the investing and business development side of the life science while working in big pharma. But she felt the limitations of being in a huge business. "When you're in a big company, you put so much energy into changing the big company, but you're only changing one big company," Federer said. "If you go outside that and you change the ecosystem, if you change the regulatory requirements, if you change the technology platforms, then all the big pharma companies adapt and adopt it, and move forward. That is just such a more attractive impact proposition."

## Next Generation Of Digital

Federer has served on the United Nations International Telecommunications Union (UN-ITU) advisory board, as well as participated in engagements with the World Economic Forum, and is considered a thought leader in digital health.

During her tenure at Bayer, she united the company's global digital strategy and investments to accelerate growth. She also held leadership positions in regulatory affairs, market access, communications and public affairs in almost 10 years' service at the multinational.

Looking at digital in 2023, Federer said the space was still "evolving."

"The first generation of digital therapeutics over-promised and under-delivered, and they didn't know any better because it was the first version," Federer recalled. "Now, the second iteration is coming out and they're not trying to get pharma prices for products. Some of them aren't even going for regulatory approval, they're just going straight to the market with data. The second generation has learned from the lessons of the first."

It is difficult to be a first mover. "We did see a lot of high-profile failures in the first generation of digital health companies," Federer noted. "But that is the first mover challenge, you have to create the market, go through training the market, evolving with the market, teaching them. And that's all really hard, expensive and time consuming."

Federer said the second generation of digital health companies had the benefit of the market being much more knowledgeable. And she added that these new companies also had access to “better tech.”

“This second generation of digital health companies is really approaching going to market so differently,” she said.

### Future Moves

“We need more women on boards,” as well as in investing, Federer told *In Vivo*. However, she sees a need for female board directors who represent the investment groups, rather than as independent members. (See sidebar.)

More broadly, Federer said she had noticed a change in how industry views experience. She said the pattern used to be that people got to the top of a company and stayed in that positions for 20-30 years. “To have that one experience in the same place is not considered as valuable as it used to be.”

She added, “You have greater experience and understanding from doing other things. And I think we're starting to see, from men and women, that people don't want to necessarily be the long-term CEO, who has been there for three decades.”

In March 2023, Federer joined the board of Sage Therapeutics. Sage has one product on the market for major depressive disorder and a pipeline of treatments addressing disorders of the brain, such as Parkinson's disease and

### ‘Diverse Directors Program’

One example of a new initiative focused on changing the face of biopharma boardrooms is the Diverse Directors Program (DDP), launched in June 2023 by Start Codon and RBW Consulting.

The program aims to provide opportunities to those who may previously have been overlooked for director/non-executive director (NED) roles in life science organizations.

Start Codon and RBW highlight that boards play a pivotal role in shaping an organization's strategic direction and overall success. Diverse board members bring a wealth of perspectives and expertise to decision-making processes.

*Emma Thorp*, chief commercial officer at *RBW*, said: “In the recruitment industry, we're well aware of the challenge of people hiring in their own likeness – whether consciously or subconsciously. Through the DDP we want to demonstrate the value of bringing people with different experiences, backgrounds and ways of thinking into these senior roles, as we know the positive impact this has on company performance.”

The DDP will provide “a unique blend of skills training, mentoring, coaching and real-world experience – including board observer placements and mock board exercises.”

The pilot program will commence in the UK in

Huntington's disease.

autumn 2023.

Looking to the near future, Federer is full of hope. She wants to see a critical change in investment for woman's health. "Every woman's health fund on the planet is still a micro fund. I think it's time we see a billion dollar women's health fund."

For Supernode, specifically, Federer said, "We are going to be a connector, we are going to bring together and invest in many incredible women's health companies that can make an impact."