



## News Release

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**For Immediate Release**

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### **Biotech Leader Testifies at Congressional Hearing on Legislative Proposals to Enhance Capital Formation for Small and Emerging Growth Companies**

**Washington, DC (April 9, 2014, 12:00 pm EDT)** – Today, the House Subcommittee on Capital Markets and Government Sponsored Enterprises held a hearing titled “Legislative Proposals to Enhance Capital Formation for Small and Emerging Growth Companies.” Brian Hahn, Chief Financial Officer of GlycoMimetics, Inc. presented testimony at the hearing on enhancements to the capital markets that can increase access to investors and decrease unnecessary regulatory burdens for emerging biotech companies trading on the public market.

In his testimony, Mr. Hahn stated:

“For growing biotech companies, overly burdensome regulatory standards present a unique challenge. Because these R&D-focused innovators do not fund the billion-dollar biotech research process through product revenue, they depend almost entirely on external investors for innovation capital. These investors stress the importance of resource efficiency, because spending capital on compliance diverts funds from the lab and could delay drug development.

“At GlycoMimetics, we strive to keep our investors informed of our progress, but wasting their valuable capital on government red tape instead of spending it on innovation and advancement does not serve their needs nor those of the patients who are waiting for our therapies.

“The Jumpstart Our Business Startups (JOBS) Act has led to a sea change in the regulatory landscape and has shown that a commonsense reporting standard can support capital formation. Nearly 80 biotechs have gone public in the last two years – compared to just 30 in the two years before the JOBS Act.

“If Congress wants to build on the success of the JOBS Act and further increase capital availability for breakthrough research, it should take steps to ensure that the public market remains accessible for emerging businesses.

"I am encouraged that the Financial Services Committee remains committed to continuing its work to improve the capital formation ecosystem for small and emerging companies, and I am proud to support its efforts."

The hearing focused on several proposals that aim to support emerging biotechnology companies, including:

The Fostering Innovation Act (H.R. 2629), which would amend the filing status classifications in SEC Rule 12b-2 to classify companies with a public float below \$250 million or revenues below \$100 million as non-accelerated filers.

Targeted reforms that enhance capital formation for small companies, including:

- Reforms to SEC Rule 144A to enhance secondary market liquidity for private offerings, including those conducted under SEC Regulation D and Regulation A,
- SEC review of Regulation S-K to reduce duplication and small company costs,
- Amendments to SEC Rule 701 to allow growing innovators to attract and compensate employees competitively,
- An expansion of the WKSI definition to increase access to effective shelf offerings,
- An EGC and non-accelerated filer exemption from conflict minerals reporting,
- Forward incorporation by reference on Form S-1, and
- Expanded eligibility for Form S-3 to encompass a greater pool of small companies.

To read Mr. Hahn's testimony, click [here](#).

## **About BIO**

BIO is the world's largest trade association representing biotechnology companies, academic institutions, state biotechnology centers and related organizations across the United States and in more than 30 other nations. BIO members are involved in the research and development of innovative healthcare, agricultural, industrial and environmental biotechnology products. BIO also produces the [BIO International Convention](#), the world's largest gathering of the biotechnology industry, along with industry-leading investor and partnering meetings held around the world. [BIOtechNOW](#) is BIO's blog chronicling "innovations transforming our world" and the BIO Newsletter is the organization's bi-weekly email newsletter. [Subscribe to the BIO Newsletter](#).

## **Upcoming BIO Events**

### [BIO IP Counsels Committee Conference](#)

April 23-25, 2014  
Palm Springs, CA

### [World Congress on Industrial Biotechnology](#)

May 12-15, 2014  
Philadelphia, PA

### [BIO International Convention](#)

June 23-26, 2014  
San Diego, CA

### [BIO Latin America Conference](#)

September 9-11, 2014

Rio de Janeiro, Brazil

[Livestock Biotech Summit](#)

September 16-18, 2014

Sioux Falls, SD

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