MolecularWare lines up VC funding

BY ALLISON CONNOLLY

JOURNAL STAFF

CAMBRIDGE–MoleculareWare Inc., a 3-year-old bioinformatics company, is expected this week to announce a $2.5 million round of venture capital, its first to date.

The funding caps a whirlwind six months for the company, having launched its first product and having recruited a new CEO and COO.

"(We're) in one of the most dynamic spaces you can be in right now," said Richard Kivel, MolecularWare's chief executive officer.

The company will use the funding to commercialize its set of DigitalGENOME software, which can capture data from experiments directly from the high throughput instruments, such as liquid handling robots and microarray scanners. Until now, Kivel said scientists had to reproduce what they saw on Excel spreadsheets.

"Anytime you can visualize a complex process makes it easier to work with," said Scott Vanderwoode, vice president and general manager for Woburn-based BioRobotics, Inc., which sells MolecularWare technology with its instuments that create microarrays.

MolecularWare has licensed its technology to the Whitehead Institute at Massachusetts Institute of Technology. Other clients include Riken University for Genome Research and the University of Tskuba, both in Japan. The company is aiming for customers in the business of genomics and proteomics, a market Kivel estimates to be worth more than $10 billion by 2005.

Richard Kivel

MolecularWare is using three methods of distribution: direct to customer, through software vendors, and through robotics vendors like BioRobotics and Meriden, Conn.-based Packard Instrument Company Inc. The company also will be hiring two new sales executives to cover both coasts.

MolecularWare plans to use some of the funding to produce its second-generation product, ArraySpace, for downstream data mining. Kivel said he hopes to launch the product package in first quarter 2002.