

# Influence, connect, save



**Mike Bolton**

Financial Conduct Authority  
12 Endeavour Square  
London E20 1JN

By email: [cb18-27@fca.org.uk](mailto:cb18-27@fca.org.uk)

23 January 2019

**RE: CP 18/27: Consultation on illiquid assets and open-ended funds and feedback to Discussion Paper DP17/1**

Dear Mr Bolton,

I am writing in support of the FCA's work to increase levels of investment in venture capital through the above consultation.

The BioIndustry Association (BIA) is the trade association for innovative life sciences in the UK. Our goal is to secure the UK's position as a global hub and as the best location for innovative research and commercialisation, enabling our world-leading research base to deliver healthcare solutions that can truly make a difference to people's lives. Our members include

- Start-ups, biotechnology and innovative life science companies
- Pharmaceutical and technological companies
- Universities, research centres, tech transfer offices, incubators and accelerators
- A wide range of life science service providers: investors; lawyers; IP consultants; and IR agencies

For the UK to retain its world-leading position in life sciences, and for our sector to deliver the medicines, jobs, and economic growth the country needs, it is critically important that early-stage and scaling companies have access to a wide range of sources of investment.

As the discussion paper notes, the asset management industry is a vital source of economic growth and one of the most important providers of liquidity needed for the smooth functioning of markets. But, currently, funds investing in inherently illiquid assets mainly invest in commercial property. We therefore welcome the FCA's focus on enabling such funds to invest in a broader investment portfolio, which can include unquoted biotechnology companies. By including such companies in a diversified portfolio, retail investors can access real growth opportunities, ensuring their investment activity is sustainable, whilst supporting the UK's economically-important industries, like the life sciences.

We strongly support the Government's commitment to promote sustainable long-term growth by encouraging greater private investment in 'patient capital' and note that it also is committed to supporting the life sciences sector through the Industrial Strategy. We welcome the FCA aligning itself to this mission and hope that the final rules and guidance you publish help meet those goals.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Steve Bates', is written over a faint, circular blue stamp.

**Steve Bates OBE**

Chief Executive, BIA  
[sbates@bioindustry.org](mailto:sbates@bioindustry.org)