

Results Exceed Expectations, and CFO of a Publicly Traded Life Sciences Firm Recommends Brinson Patrick's DOCS[®] ATM Offering for its Flexibility, Control, and Low Impact on Stock Price.

“After the first couple of transactions we became convinced that it wasn't going to cause the stock price to drop. Once we realized this, we decided to raise more money. We were amazed at the flexibility of the instrument. You can raise money when you see the opportunity or have the need.”

CFO, public Life Sciences firm

The Challenge

When a publicly traded life sciences firm was looking to raise money in early 2010, their Chief Financial Officer wanted to find an instrument that accomplished the goals of the Company and did not dilute existing shareholders through discounting or issuing warrants, issues common to traditional capital raises. The company looked into “at-the-market” (ATM) offering programs, when an exchange-listed company incrementally sells newly issued shares into the trading market through a designated broker-dealer at prevailing market prices, rather than via a traditional underwritten offering of a fixed number of shares at a fixed price all at once. “It turned out the ATMs we were being pitched were really credit or equity lines, which historically have had a negative connotation,” says the CFO. “People think the company is desperate, that you're doing an equity line rather than a PIPE (Private Investment in Public Equity) because no one is interested.”

The Solution

The life science firm learned that Brinson Patrick Securities Corporation offered a true ATM equity offering, and that they had a focus on publicly traded life science companies. Brinson Patrick's DOCS[®] (Dynamic Offering of Common Stock) ATM financing facility is a low profile, capital raising method which is typically less expensive and more flexible than other types of offerings, and would likely cause less dilution to existing shareholders than other financing options.

“Brinson Patrick was the only one who approached us with this type of ATM facility,” says the public life science firm's Chief Financial Officer. Collectively, the life science firm's management team and Board of Directors decided to move forward with the DOCS[®] ATM offering. “We were willing to take some risk to raise the capital but it didn't turn out to be the case. Brinson Patrick's DOCS[®] ATM instrument was very easy to control.”

“In this case, we didn't need to raise a lot of capital all at once,” the CFO says. “We needed some cash to fund R&D.” And the DOCS[®] at-the-market offering fit the company's capital needs well.

“For the amount of money we wanted to raise, the DOCS® ATM was the least dilutive way to do it. I was very comfortable explaining Brinson Patrick’s DOCS® ATM to our investors and I have since recommended it to other CFOs as being the best way to raise money.”

CFO, public Life Sciences firm

The Results

Brinson Patrick’s DOCS® ATM financing was so effective, the firm raised six times their initial minimum, more than double their expected needs. The firm is still using the DOCS® offering since it can be started and stopped. “We were amazed at the flexibility of the instrument,” the CFO says. “You can raise money when you see the opportunity or have the need.”

Since the DOCS® ATM equity offering is in the best interest of existing shareholders, smart, long-term shareholders approve of this type of capital raise. “For the amount of money we wanted to raise, the DOCS® ATM was the least dilutive way to do it,” says the CFO. “I was very comfortable explaining Brinson Patrick’s DOCS® ATM to our investors and I have since recommended it to other CFOs as being the best way to raise money.”

Brinson Patrick Securities Corporation is a boutique investment bank

that employs a single financing tool – DOCS® (Dynamic Offering of Common Stock) at-the-market (ATM) financing facility – to raise the capital for clients as they need it.

The DOCS® ATM is a low-profile equity offering appropriate for publicly traded companies across multiple industries and market capitalizations. It has been successfully utilized by companies in the energy, life science, technology, real estate, financial services and hospitality industries with market capitalizations that range from \$50 million to over \$1 billion.

Brinson Patrick is a FINRA member broker-dealer.

1515 Broadway, 11th Floor, New York, NY 10036 (212) 453-5000
4370 La Jolla Village Drive, Suite 400, San Diego, CA 92122 (858) 864-4339



Brinson Patrick
Securities Corporation
www.brinsonpatrick.com