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7 Hard Lessons from Scaling a Biotech Startup: What Every Founder Should Know

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Scaling a startup isn't just about growing headcount, raising capital, or hitting revenue targets—it's about navigating unexpected challenges at every stage.

Whether you're an entrepreneur preparing for your Series A, a biotech founder aiming for FDA approval, or a leader transitioning from startup chaos to corporate stability, the playbook changes as you scale.

At a recent panel discussion with experienced biotech executives, I listened to honest reflections on what really matters when growing a company. These insights apply beyond biotech—to any high-growth, high-stakes industry where funding, regulation, and innovation collide.

Here are seven essential lessons every founder should take to heart.

1. Scaling is a Leadership Transformation—Not Just Business Growth

Many founders believe that **scaling is about adding more people, raising more money, and expanding operations**. The truth? **Scaling is a complete transformation of leadership.**

- What works at **10 employees** will **break at 200**—and **fail at 2,000**.
- A great early-stage founder **thrives in chaos**, but as the company scales, **structure and process become essential**.
- **Decision-making must be distributed**—if everything still runs through the CEO at 500+ employees, the company will stall.

One founder shared how **they struggled to let go** of hands-on decision-making. But once they focused on **empowering their team**, everything changed.

Key takeaway: Your leadership must evolve as your company grows—or you'll become the bottleneck to your own success.

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2. Science Alone Won't Convince Investors—You Need a Business Model

Founders in **deep tech and biotech** often believe that breakthrough science will **automatically attract investors**. That's a dangerous assumption.

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Investors don't just want **great technology**—they want **a viable business with a clear path to market**.

- **A commercialization and reimbursement strategy is just as important as clinical validation.**
- A **clear regulatory roadmap** is critical—FDA approval isn't a given.
- Investors want **financial projections**, not just scientific potential.

One panelist admitted they **initially underestimated** how much investors cared about business execution. Once they focused on **mapping out revenue models, regulatory pathways, and market adoption**, fundraising became **much easier**.

Key takeaway: You're not just pitching a breakthrough—you're pitching a business.

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3. Hiring the "Best" People Isn't Enough—You Need Alignment & Loyalty

Many founders believe that hiring the **smartest and most talented** people will guarantee success. **That's not enough.**

- **Misaligned teams destroy startups faster than bad technology.**
- **Loyalty and cultural fit** matter just as much as expertise.
- A team full of "rockstars" who **don't share the vision** will tear the company apart.

A founder on the panel shared how **misaligned leadership nearly sank their company**. They had recruited top-tier executives, but **internal power struggles and clashing priorities** created dysfunction. **Once they rebuilt the leadership team around alignment**, growth accelerated.

Key takeaway: Don't just hire for skills—hire for alignment, trust, and shared vision.

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4. Startup vs. Corporate Leadership: Two Completely Different Games

Many founders **dream of growing their company into a large, industry-defining player**. But what they don't realize is that **big corporations and startups operate on completely different rules.**

- **Startups reward risk-taking, agility, and creativity.**
- **Corporations value structure, predictability, and stability.**
- The things that make a **great startup CEO** (breaking the rules, rapid experimentation) will **get you fired in a corporate setting**.

One former startup CEO described his post-acquisition experience:

"I went from making big, bold decisions every day to sitting in meetings, waiting for approvals, and navigating bureaucracy. My energy just drained."

If you **thrive on autonomy, innovation, and high-risk decisions**, **a corporate environment may not be for you**.

Key takeaway: Know where you thrive—don't force yourself into a corporate role that doesn't fit.

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5. Acquisitions Aren't Quick Deals—They're Long, Grueling Processes

Exits don't happen overnight. **A successful acquisition takes years of preparation, relationship-building, and due diligence.**

- One founder's **first meeting with their acquirer happened a year before the deal** was finalized.
- **Due diligence is brutal**—expect **months of financial, legal, and compliance reviews**.
- Bringing in a **strong CFO or legal counsel** can make or break a deal.

A common **M&A mistake**? **Underestimating how much work it takes.** Founders think, *"We'll get acquired, and everything will fall into place."* In reality, **the real work starts after the deal is signed**.

Key takeaway: If an acquisition is in your future, start preparing today.

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6. The Best Founders Know When to Step Aside

One of the hardest, but most important, decisions a founder will face is **knowing when they're no longer the right person to lead**.

- **Early-stage founders are visionaries**, but scaling requires **operators and execution specialists**.
- Holding on **too long** can slow down growth and hurt the company.
- A strong leader **hires their own replacement when the time is right**.

One panelist shared how they **stepped down voluntarily** after realizing their company needed a different type of CEO to scale beyond **2,000 employees**. **They focused on ensuring a smooth transition, which ultimately helped the company succeed long-term.**

Key takeaway: Being a great founder doesn't mean being CEO forever. The best leaders build companies that **can thrive without them**.

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7. Uncertainty Never Ends—Get Comfortable with It

Many founders **assume** that once they **raise their Series A**, land their first big partnership, or achieve profitability, the uncertainty will go away. **It doesn't.**

- **Uncertainty is a permanent feature of leadership**—whether you're running a 10-person startup or a Fortune 500 company.
- The best founders learn to **thrive in ambiguity**—they make decisions with **incomplete data** and adapt as they go.
- Every major milestone just **leads to the next set of unknowns**.

One panelist put it best:

"The moment you think you've 'figured it out,' something changes. The key isn't eliminating uncertainty—it's learning how to operate despite it."

Key takeaway: Uncertainty never goes away—your ability to navigate it improves.

Final Thoughts

Growing a startup into a high-impact, high-value company isn't about just working harder. It's about making the right strategic moves at the right time.

✅ **Evolve your leadership style as your company grows.**
✅ **Master investor storytelling—fundraising is about business viability, not just science.**
✅ **Prioritize team alignment over raw talent—culture matters.**
✅ **Understand where you thrive—startups and corporations require different leadership skills.**
✅ **Prepare for M&A long before it happens—due diligence is grueling.**
✅ **Have the humility to step aside when the time is right.**
✅ **Embrace uncertainty—there is no finish line.**

Which of these lessons resonates most with you? Drop your thoughts in the comments below!

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Anchor Ventures: "The Lab to Market Journey" – Panelist & Moderator Bios

Panelist: Rahul Singhvi, ScD, MBA – CEO, Resilience

Rahul Singhvi is a seasoned biotech executive and entrepreneur with extensive experience in biopharmaceutical manufacturing, vaccine development, and biotech scaling. As CEO of Resilience, he leads efforts to revolutionize complex medicine production. Previously, he was COO of Takeda's Global Vaccine Business Unit and CEO of Novavax, where he guided the company through clinical development and its public listing (NASDAQ: NVAX). With expertise in M&A, venture-backed growth, and corporate leadership, Rahul offers strategic insights into building, funding, and scaling biotech ventures.

Panelist: Dan Edelstein, PhD – Former CEO, Haystack Oncology

Dan Edelstein is a biotech entrepreneur and executive specializing in oncology diagnostics and molecular testing. As CEO of Haystack Oncology, he led the company from early-stage development to its successful acquisition by Quest Diagnostics in 2023. With a background in scientific leadership, fundraising, and commercialization strategy, Dan has helped translate breakthrough cancer research into clinically impactful diagnostics. He now advises emerging biotech startups on funding, scaling, and regulatory strategy to navigate the path from lab to market.

Moderator: Phil Robilotto, DO, MBA – Associate Vice President, ORD and Director, UM Ventures, Baltimore

Phil Robilotto is a leader in technology transfer and venture development, specializing in the commercialization of life sciences innovations. As Associate Vice President for Technology Transfer at the University of Maryland, Baltimore, and Executive Director of UM Ventures, Baltimore, he drives initiatives that translate academic research into market-ready solutions. With experience in intellectual property strategy, startup investment, and industry partnerships, Phil has played a key role in advancing UMB's startup ecosystem. Previously, he held business development roles at Celera and DuPont Pharmaceuticals, negotiating collaborations across biotech and pharma. His expertise spans early-stage venture funding, licensing strategy, and fostering university-industry partnerships.

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