

Early stage investing takes on a different shape at Massachusetts firm

Alchemy Ventures plays angel investor role with “cashless” investments of technology and know-how

When Dan Baril started Alchemy Ventures, LLC in 2007, he sought to find early stage medical device entrepreneurs who needed outside help to bring their ideas to life. But unlike the conventional angel or venture investor whose medium is cash, Baril's firm offered something different. Drawing from the rich engineering, manufacturing and intellectual property skill-set of its sister firm, Baril Corporation, Alchemy Ventures offered cash-strapped entrepreneurs the know-how, manpower and equipment they would need to rapidly develop and commercialize new products.

Baril Corporation is widely regarded as one of the premier contract manufacturers in medical device die-cutting and multi-layer laminating. To support its clients' new product development efforts, Baril spent years assembling a portfolio of expert services. These same services neatly fill the knowledge and manpower gaps found at many early stage device companies.

Dan Baril comments, “Most early stage entrepreneurs search for financial investors, but any VC will tell you that cash alone does not guarantee success. Many early stage companies need engineering, sourcing, manufacturing, regulatory and other expertise, but they don't necessarily need a full-time employee filling each of those needs. Instead, most companies compromise and have a few people wearing lots of different hats – even if those hats don't fit perfectly.”

Adds Baril, “Part of our concept for Alchemy is to make all that expertise available to the entrepreneur, but on a fractional basis. In addition, because we can also offer prototyping and manufacturing, our partners can rapidly convert their promising ideas into workable commercial products without significant capital investment.”

In return for helping incubate these nascent businesses, Alchemy is compensated via equity ownership, licensing, revenue sharing and other innovative business arrangements. Say Baril, “Alchemy is willing to share the entrepreneurial risk with our partners because our objective is to earn an equity stake that ultimately, we hope, bears greater fruit down the road.”

Hooks Johnston, a Baril Corp. board member and retired Executive Vice President at global medical device powerhouse Smith & Nephew, says Baril Corporation and Alchemy Ventures are a classic story of persistent business innovation. “Thirty five years ago, Baril started as a traditional New England tool and die maker working out of the founder's garage. The company evolved into a world-class engineering and manufacturing firm, and now with Alchemy Ventures, is converting that intellectual capital into exciting new growth areas. It's really a remarkable story of business evolution.”

Johnston adds, “Alchemy provide nascent companies with engineering and manufacturing resources that can help get past the initial stage of immaturity that sophisticated venture investors try to avoid. In effect, Alchemy is bridging the gap from typical ‘family and friends’ funding to serious VC investors.”

For additional information about Alchemy Ventures and Baril Corporation, please call 978-373-7910, or visit www.AlchemyVentures.com or www.BarilCorp.com.