



Dr. David Brown

Written by Jeffrey Simmons, Ph.D. Trainee



David Brown is the Co-Founder and Chief Operating Officer of Chinova Bioworks, a New Brunswick based foodtech company. Using their patented product Chiber™, a chitosan fiber based product extracted from the stems of white button mushrooms, Chinova provides a natural preservative for use in the food and beverage industry, with upcoming cosmetic applications.

As a Co-Founder of Chinova, David had some with experience with start-up companies from his work as Chief Technology Officer and Co-Founder of Mycodev Group Inc., also working on chitosan based technology. Transferring some of the skills he developed in this space, he started working towards the creation of Chinova, with the goal of finding a sustainable way to extract chitosan, filling a market need to make a cost-effective, natural antimicrobial solution for the food and beverage industry. During the early stages of Chinova, David conducted the R&D from a small community college lab and had to use his own savings and bank loans to fund the work. This also included any electrical or plumbing repairs needed in the space, which he had to figure out how to do to minimize costs. During the initial stages of the company, a small amount of capital was raised from angel investors, however neither David nor his Co-Founder, Natasha Dhayagude, received a salary for the first two years. Now, Chinova is a mid-sized company with 20 employees and a product used in many things, including bread, dairy, beverages, and particularly plant-based dairy alternative products. In his current capacity as COO, David mostly works on logistics of manufacturing operations.

Having a product intended for human consumption, one of the difficulties was securing regulatory approval, as chitosan didn't have any approvals in this space prior to Chiber, which was just approved last year. In Canada, every use of a product intended to be



ingested has to have it's own regulatory approval to ensure the health and safety of consumers. In other places such as the European Union, this process can take up to 3-4 years to receive an approval.

Beyond securing regulatory approval, another concern was maintaining funding and investor confidence to keep everything going, especially considering science-based companies generally don't start making revenue until five or more years after being started. Depending on the company, this can be approached in a variety of ways. If the company is a B2C company (business-to-consumer), an easier way of navigating this is to set up a Kickstarter to prove to investors that there is consumer interest. If the company is a B2B company (business-to-business; common in the biotechnology and life sciences space), then an easier way to navigate this is by getting a letter of intent from your clients (i.e. the other businesses you would potentially be selling to).

One recommendation David had for students considering starting a company, is trying to complete as much of the R&D as possible during their time in school, which needs to be completed before a company can even get started. As well, plenty of resources to help build a company in Atlantic Canada were discussed, such as the PEI BioAlliance, government priorities in scientific development (e.g. Innovation PEI), incubator spaces (the LSRI in Halifax) and government grants or programs such as Mitacs.