Mike Lynch’s fund invests in biotech start-up

By Murad Ahmed, European Technology Correspondent

Mike Lynch, the founder of UK software group Autonomy, has revealed the latest investment from his $1bn technology fund as he forges ahead with deals despite investigations into the sale of his former business.

Invoke Capital is leading a $13.75m investment in Sophia Genetics, a Swiss genetics company. Other investors in the round include Swisscom, the media group, and Endeavour Vision, a Swiss venture capital firm.

The investment is Invoke’s first entry into healthcare, which Mr Lynch believes is ripe for disruption by technology groups that can utilise big data.

Sophia Genetics will work with Genalys, a British big data start-up within Invoke’s portfolio, to develop a mathematical approach to medicine that can predict problems with a person’s health. It works with hospitals and researchers, helping to provide an early diagnosis for patients and optimised treatment of cancer and genetic diseases.

“It’s a bit like playing poker when you can see the other guy’s hand,” said Mr Lynch. “There is no doubt this is the beginning of personalised medicine which will be a revolution in healthcare.”

He said the fund is likely to pursue other similar investments. Mr Lynch said he considered 40 genetics companies before settling on Sophia Genetics, believing the group had the greatest chance of making an impact on “an industrial scale”.

Invoke seeks to fund young companies involved in “deep technologies” that give them a clear advantage over rivals in their industry. Previous investments include two Cambridge-based start-ups, Darktrace, a Cambridge-based cyber security company and Neurence, an augmented reality platform.

Mr Lynch remains in the crosshairs of Hewlett-Packard’s legal team over Autonomy, which HP acquired for $11bn in 2011. The Silicon Valley company last week said it would continue to press claims against him and Sushovan Hussain, Autonomy’s former chief financial officer, over alleged fraud related to acquisition.

HP last week settled shareholder lawsuits over the $8.8bn writedown it subsequently took on the value of Autonomy. It claims that some $5bn of the writedown was due to misrepresentations by former Autonomy executives about the state of the business. Autonomy’s management team have always denied any wrongdoing.

Mr Lynch said the issues with HP had not affected his work with Invoke, and had not put start-ups off making deals with Invoke.

“We raised a billion dollars in four weeks, which is much faster than some of the more established funds,” said Mr Lynch. “Other than hurling bricks at each other in the press, there is no litigation [with HP]. There’s not actually that much of a distraction.”
Sophia Genetics is an outstanding start-up based in the EPFL Innovation Park. Its charismatic leader, Jurgi Camblong, has the right vision to address on a grand scale the forthcoming revolution of personalized medicine. The partnerships being developed will set the ground for a major change in healthcare.

Michael Baum

I had the pleasure of Mike Lynch introducing me at the recent Silicon Valley Comes to the UK conference at the University of Cambridge. Mike is incredibly smart and an amazing visionary. If he is betting on Sophia Genetics, it is very likely full of promise to make the world a better place. I’m very inspired to see the smartest people on the planet focusing on such worthy endeavors. Thanks Mike.