

EP.149 Lance Kawaguchi

Narrator: You're listening to *BioTalk* with Rich Bendis, the only podcast focused on the BioHealth Capital Region. Each episode, we'll talk to leaders in the industry to break down the biggest topics happening today in BioHealth.

Rich Bendis: Hi, this is Rich Bendis, your host for *BioTalk*. We're really pleased today that we have a global financier who has basically turned into a philanthropist, and is really interested in doing something in the BioHealth Capital Region, which would make our listeners very happy. And our guest today is Lance Kawaguchi, who is the founder of the Cure Brain Cancer Foundation. We're going to learn everything everybody wanted to know about this new foundation and what drove Lance to get into forming this foundation. So, Lance, welcome to *BioTalk*.

Lance Kawaguchi: Great to be here, Rich. Thanks for having me.

Rich Bendis: You know, rather than me read your résumé or your LinkedIn profile, the way we do this, Lance, is generally have someone do a self-introduction.

0:01:02 No one can introduce you better than you can yourself. So let's tell the audience a little bit about your background.

Lance Kawaguchi: Number one, you can do a better job than I can, but I will give it a shot. So, by way of background, 25 years in finance. I lived all across the world. An interesting data point for a lot of your listeners is that I was actually the country head for Standard Chartered in Iraq in Baghdad as a US citizen in 2010–11. So 25 years finance, banking, all through the world. 2016, my mother was diagnosed with pancreatic cancer. And on her last days, last minutes, she asked me at some point in my career to give back to social impact. And I've decided since after COVID, since 2021, the last three years, I've been focused solely on cancer charities. So I'm going into my year four of my commitment to my mom.

Rich Bendis: That is fantastic and very admirable. But you went background so quickly that our listeners probably want a few more details, Lance.

0:02:01 So what I'm going to do is ask a couple questions for you. Basically, what was it that stimulated you to get into finance, stay as long as you did, and what training did you have to get into that financial world?

Lance Kawaguchi: I went to Indiana University in Bloomington, got an economics degree, but then went straight into equity trading, where I kicked it off in New York and also in Chicago, covering middle market institutions. From that point, I pivoted into being a credit relationship manager, so went through the credit training, making sure to understand how to structure deals on the structured finance side. And from there, moved into relationship management. So, from my perspective, it's always been focused around the community that I serve. And for banking, that's really the client. So I've been quite fortunate through my lifetime to finance quite a bit of deals through the oil and gas sector that I previously covered.

0:02:53 But, for me, it was really important to get that credit and finance understanding, because I've always had a passion for numbers, understanding numbers, because what I found is, no matter where you go throughout the globe, languages are different, but balance sheets are balance sheets, and audited financials are audited financials, which are really the truth. So what people say, ultimately, it has to reconcile to the numbers. And for me, that's what I like about numbers. They're quite objective. And for me, that was really where I excelled is because I had such a passion for numbers and a passion for finance.

Rich Bendis: You did that for 25 years, as you mentioned. Before we spend a lot of time on the nonprofit foundation world, I'd be remiss if I didn't ask you a few questions related to what do you think about the financial markets and climate that we're looking at in our world today?

Lance Kawaguchi: Well, that's a loaded question. My view is that obviously the market itself, if you look at Nasdaq, the New York Stock Exchange, obviously it's continued to go up, so that's a positive. I do think in certain asset classes you do see a pullback. I won't go into specific ones. But, for me, if we can focus it on the biotech sector, you know better than I do, Rich.

0:04:01 You've gone through—the biotech sector for the last 18 to 24 months has been very volatile. And I think what I've tried to do, if I can just pivot a little bit, is try to educate people who typically don't invest in biotechs as an asset class to really have a different lens. Don't compare biotechs to real estate or anything similar to that. I want them to have a blended lens of ESG. So, as you know, now when people look at financials, they're not looking only how much you make; they're looking how do you make that profit? And for me, I'm trying to apply that to institutions on the buy side,

family offices, and also large philanthropies, to understand that you can look at this as an asset class but more as a social impact. And that's what I'm trying to coach them. So I would say the market's at an interesting time. I know, technically, Japan and also the UK are in a recession. Australia, I think, has a 40% chance of going into a recession. There's an election coming up.

0:05:00 So there's a lot of factors coming up that I think will impact the overall macro. But from a microeconomic perspective, I think each country is going through their own challenges right now.

Rich Bendis: The other thing you mentioned, some of the different areas of the world, and our listeners don't know where you're at today, Lance. So we're actually doing this podcast based on your current location, which is where?

Lance Kawaguchi: Sydney, Australia. I've been here three years. Love it. Beautiful weather. Everything is upside down. So right now, when you're enjoying—I believe it's quite cool and cold in Kansas City.

Rich Bendis: Well, it's actually going to be 65 today.

Lance Kawaguchi: Well, settle down, Rich, because it's going to be 97 here, Fahrenheit. I'm just saying it's very, very warm. So everything is upside down. So right now, during Christmas is actually our summer. And when it's your summer, it's our winter season. That took a lot to get used to when we moved down here.

Rich Bendis: So what was it that attracted you to go to Sydney?

Lance Kawaguchi: Previously, I was the oil and gas global head for ANZ, Australia and New Zealand Bank.

0:06:00 So I was based in Singapore, also in London, but I visited Australia probably like 20 or 30 times. I love the country. It's a beautiful country. My wife and my family, they've been very supportive. We lived in North America, in Europe, in Asia, in the Middle East. So this was an opportunity to live someplace different, number one. But number two is the foundation that I took over here in Australia, they had gone through quite a bit of turmoil. They've had quite a bit of turnover in the CEO. And it just really felt like an opportunity to turn something around or, for me,

my passion is either building organizations or turning them around to be more efficient. So everything fell into place right after during COVID. We moved here, and we haven't looked back. It's been a great experience.

Rich Bendis:

One of the things that's interesting is you spend most of your life in the for-profit world. Now you're in somewhat the nonprofit foundation world. Talk a little bit about how did your financial background and your business career prepare you to get involved in the nonprofit world, and what do you see is the major adjustments you had to make?

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Lance Kawaguchi:

The biggest adjustment is really the mindset. When I went for-profit to nonprofit, I thought everyone was high-fiving. It's kumbaya. We all love each other. But I found that not-for-profits are extremely competitive, very competitive. Here in Australia, we have 60,000 charities, just in Australia. \$190 billion of donations every year. Compare it to the US where you have over 1.6 million charities, and a donation pool of over 1.7 trillion, which is bigger than many countries' GDP. So what I found is that, one, it's oversaturated. Number two, I assumed, maybe naively, that it was automatically if you're a brain cancer or a rare cancer, you all collaborate. But I found that there's not too much collaboration. It's almost the Kansas City Chiefs against the 49ers. You pick sides, and you stay with your side.

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So, from my perspective, everything that I've tried to do is really try to foster collaboration because, coming from the banking side, you can never do it yourself. There's a force multiplier by collaborating. You can achieve more together. So number one is the mindset was different. Number two, I found that decisions were very slow and bureaucratic, where, as I mentioned at the beginning, I always like to tailor my approach to the community I serve. So, in this case, it's people with cancer. People with cancer don't have the luxury of time. But when you juxtapose it with charities, they tend to be quite bureaucratic, very political, decision-making moves very slowly. So there was a disconnect. So, for me, it's really changing that corporate culture to make sure that we move quicker, and we execute. So that's one thing I brought from banking to the not-for-profit world is I would always tell my team that you can have expectations. But if you don't execute, it means absolutely

nothing. You need to execute. You need to get the net result, because people with cancer expect it and deserve it.

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So, for me, I think that was the biggest cultural shock/corporate mindset change, because I honestly thought it was going to be really easy to come in. Everyone's going to be supporting each other. But I could not have been further from the truth.

Rich Bendis:

And basically, I would imagine you have somewhat of a paradigm challenge because, in the financial world, you can make decisions relatively quickly, and you have to respond very quickly with market conditions. In the nonprofit world, it doesn't go as quickly, but yet you're dealing with cancer patients, which don't have as much time, as you said. So how do you do that delicate balance between needing to make decisions quickly, trying to get things done to address the cancer needs that patients have every day, but recognizing the nonprofit world doesn't move like the for-profit world?

Lance Kawaguchi:

That's a fair point, Rich. But, for me, if you're going to be a change agent or the disruptor, what I liked about my finance background is that I had operational management training, credit, regulatory training, finance, marketing, pretty much everything.

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So the first thing I did was we went from X amount of employees down 90%, and were more profitable, because I essentially digitized everything. I leveraged to make sure that all the information was on one central CRM system. Everything was connected through API, so we don't have to build infrastructure. I drove down our cost significantly and, through that, our corpus actually was preserved, and I was able to—first thing I did is I don't have a medical background, like I shared with you. But I brought the best minds for brain cancer, half from the US, from Dana-Farber, MD Anderson, UCSF, UCLA, UC San Diego, and half from Australia. What I told them is that I will give you full autonomy to always award things based off merit. Whatever's the best medical research, you will be empowered to do it. I'm not going to get involved. So, for me, that streamlined it because I don't want to have any type of conflict of interest where people feel like—one feedback that I got is that a lot of times, people feel that the process of decision-making is not transparent in philanthropy.

0:11:04 So what I said is that I will make sure that there's a clear delineation. The people on our scientific advisory board—Patrick Wen from Dana-Farber, Web Cavenee from UCSD—you are empowered, and you can make the decision independent of me, whatever's the best science. So that was able to speed up our decision-making process, because there is no bureaucracy getting tied into it. Whatever the best science is, they win, and they move quickly. So I encourage—I know your listeners are connected with Patrick Wen and John de Groot and Tim Cloughesy at UCLA. I encourage, go call them, because when I approached them, they thought, "Oh, this guy's crazy." But I think they've seen over the past three years, anything I say, I always execute and I follow through. And I do think this is a better model where you empower people, and just let them do their job, but move efficiently and move quickly. So, to give you context, I've distributed \$13 million in Australia over the past little bit less than three years. That's more than the past 15 years prior combined.

0:12:00 So I'm not just saying that I'm moving quickly; there's proper processes to make sure that everything is done in a merit-based process, operational risk is adjusted for, but we're getting things out quicker for the community.

Rich Bendis: Basically, you say you like to start things or turn them around. By the way, we're talking to Lance Kawaguchi, who's the CEO of the Cure Brain Cancer Foundation. So let's talk about the foundation. Give a little bit of history related to the Cure Brain Cancer Foundation, where it was when you got involved, and how it has progressed to where we are today.

Lance Kawaguchi: Where it was when I joined, they had eight CEOs in five years. So, objectively, I'm just being honest. I would say that the community itself was not very bullish to me. The first six months was people saying, "You're not going to last. What makes you different?" And what I like about that is I enjoy it. Every person I met with, I said, "Please don't judge me on the past. I have zero influence over the past. But help me build the future."

0:13:00 "Help me. I will be held accountable. Every quarter, I will give an update on where your money went, what we're planning to do. I'll always give you transparency." And I think around year one to year one and a half, people started buying in. They're like, "OK. He's actually here for the long haul." For me, that's what I enjoy is when you take something where

people have passion, where they've been disappointed, that passion can quickly turn to support. And once you get their support, if they know that you're transparent, you're honest, they will back you. No different than being a Kansas City Chiefs fan. Even if they're having a bad year, Rich, you'll still cheer for them.

Rich Bendis: For listeners who don't know it, Lance is referring to that the Chiefs just won a Super Bowl. I happen to have a home in Kansas City, and have been a lifelong Chiefs fan. So that's why we have this reference to Kansas City Chiefs all the time.

Lance Kawaguchi: Anything with sport, if you notice with sports, it brings people together, even if you have—the world's very decisive. If you don't like each other, but when you're wearing the same uniform, you tend to all get together.

0:14:00 So, from my perspective, that's what I'm trying to encourage. I don't really care about my charity alone. I care about all charities, which I think we're going to touch upon. But, for me, it's really going forward, how do we bring the charities together? I don't need to control what you do, but I'd like to influence that we all go in the same direction.

Rich Bendis: Yeah, and you talked about directions, and you've gone in many directions in your life, and you've gone to some of the extreme ends of the world. So you mentioned the South Pole. So let's talk a little bit about this. There's a South Pole Trek for Cancer initiative that you've been involved with. Tell the listeners a little bit about that, Lance.

Lance Kawaguchi: So in November of 2022, I was thinking, how can we do something where we can bring charities together? So I figured, well, I've reached out to many charities. Nobody really wants to collaborate. So I thought, what better way than a 47-year-old, at the time, who hasn't worked out in 30 years, why don't I go and trek the South Pole? So my wife, who's been married with me for 20 years, said, "Lance, you're absolutely crazy. You haven't worked out for 30 years. You hate working out, and you hate going outside."

0:15:01 And I said, "I think I can do it." And for the last 12 months last year, I trained every day. For the US listeners, I gained 30 pounds. I trained two, three times a day for 12 months. And I approached other charities. So all the charities that I approached are either smaller charities where 100% of the money goes to the cause, or it's a larger institution where they've

been somewhat innovative, like Cancer Research Institute, 70-plus years in immunotherapy. They were promoting immunotherapy before anyone else, and they've distributed 550 million plus. So, for me, when I did the South Pole, I came up with the idea, I trademarked the South Pole Trek for Cancer. All the avatars, I trademarked. I went to the charities, and said, "I will do all the marketing, all the fundraising. I'll allow you to have all the avatars free. I just want to make sure that we can do this together."

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So roll the tape forward, beginning of January this year, I planted the flag. But I didn't plant the flag just for my charity; I planted it for 23 charities across six countries. Also in December of last year, I was fortunate enough to ring the Nasdaq bell for the second time in 13 months. But, again, instead of just going up for my charity, if you look at Nasdaq, you go to the website of all the people who rang the bell, they're always the same people who do it for their company or their charity. The two years that I did it, in 2022, 2023, I brought other cancer charities and also cancer survivors. And, again, I want to ensure people understand that we can all uplift each other. So the South Pole Trek was really more a symbol or a metaphor for collaboration in 2024, because my hope is that I've shown people through actions, without charging them a penny, raising funds for them, that if one small charity in Australia can galvanize 23 larger organizations, and we're all working together, going in the same direction, maybe next year when they're doing a fundraiser, maybe they invite two to three or four to help out.

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And then there's a butterfly effect. I could be naïve. Maybe it won't work. But, again, if you just keep doing the same thing, you're going to get the same result. And I think the people with cancer, all cancers and diseases, they deserve better. And I think especially if they look behind the curtain, some of these charities globally, they're so big. They're Fortune 500. And the decision-making process is extremely slow. So I feel the South Pole Trek was really a beta test to show we can move quickly, we can work together, we can collaborate, and we can all come together for one purpose.

Rich Bendis:

Did all of the different foundations take the trek with you, or did you represent them on the trek?

Lance Kawaguchi: Oh no, no one took the trek. No one did anything. I did everything. Every day when I trekked, every expense I covered. Whenever I did the exercise, every day I would change my T-shirt and my pants to have a different logo. I would do videos before and after on the weekends, and I just created content for all of them.

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Rich Bendis: So what you're trying to do is bring some innovation and creativity to the nonprofit foundation world?

Lance Kawaguchi: Well, I would say that, yes. But, again, each charity spends roughly between 20% to 50% on their fundraising, marketing. They put it in different buckets. I don't feel that we need to necessarily spend so much money on marketing and fundraising. I think we should spend more money on research. The benefit of collaboration is that you can disperse the expense equally. There's less expense for one charity to have to do. So what I was trying to explain to them is that there's better ways to run charities. But people are so programmed that it has to be this way. We have to have these big organizations. We have to have all these people joining meetings. I don't have any meetings. For me, it should be you have your objective, you have to set a very clear, coherent strategy to execute or achieve the objective, and then you have to execute. But I feel it was quite successful. In Australia, we raised over \$1 million for the Australian charities.

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Globally, I don't have access to everyone's fundraising because I don't want to get involved in the tax requirements. But I know collectively, everyone, we're probably at about 1.6 million, 1.5 million. Not a bad thing for no expense.

Rich Bendis: That's not bad at all. One of the benefits you've had though is you've been able to participate in large markets around the world, including the United States. And I think one of the other successes that I've read about is the GBM or the Glioblastoma Agile clinical trial platform that you've been able to be involved in to bring from the United States to Australia. Could you please tell our listeners a little bit about that, Lance?

Lance Kawaguchi: When I first met the community, they kept telling me, "Lance, you, the Government, Cure Brain Cancer Foundation committed GBM Agile, which is really the industry benchmark for GBM trials." So it's in the US and

Europe and also in Asia. And for the past 10 years, it was promised—your listeners can google GBM Agile Australia—it was promised since 2013.

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When I joined, I went through the financials. It didn't reconcile. So if you type in GBM Agile Australia 2021, the Government announced that they were going to bring it to Australia for \$12 million. This is in the public domain. Beginning of 2022, I announced I'm going to sole fund it for \$8 million, so \$4 million less than the Government, no tax dollars. I'm going to privately fund it, plus I'm going to roll it out significantly faster. So, from that point, you'd be surprised, Rich, how much hate emails, mail I get from people saying, "Oh, you're lying." It was shocking. But I'm proud to say, last November, December, we opened up six sites—six sites. So never before, if people got GBM, they would have to go to the US or to the UK or to Australia, uh, to Europe. This is the first time that they'll have access to phase two approved treatments. There's a lot of treatments here that people talk about that are not even phase zero approved, which people don't understand.

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That's not safe. So this is really, I would say, \$8 million for a small organization is a massive commitment. I'm sure you know that. But to deliver it after 10 years of promises, but deliver it \$4 million less, with no taxpayer money, and also roll it out across all six sites last year, and having a team of less than seven people in the organization now, that's unheard of. So, for me, that's what's gratifying.

Rich Bendis:

You should be gratified. And the other thing is people in Australia should appreciate everything you're doing to elevate Australia, so it brings the same quality of care and services to a smaller country that the larger countries and continents are experiencing right now.

Lance Kawaguchi:

A hundred per cent, especially I am big on health equality. Historically, you would've to spend over \$300,000 or \$400,000 if you had the means to go to the US. Now, we're paying for—if you qualify, regardless of your income level, you get access.

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Rich Bendis:

That's really amazing. And what I would imagine some people in the United States, if they listen to this, might learn something that we might be able to apply in the United States as well, I hope.

Lance Kawaguchi: We opened in the US, so I plan to make some changes. I'm hoping that I can impact some things in the US too. I'm a US citizen. I love the US.

Rich Bendis: Well, I understand that also, and you're going to make a commitment to the BioHealth Capital Region.

Lance Kawaguchi: I decided to establish Cure Brain Cancer Foundation Americas in Maryland. Why? Because I personally believe in the BioHealth Capital Region. I think this FDA is in that region, NCI. You have so much critical mass there. So, for me, that's why it was important to establish in the DMV area. For me, that was the place to go. So that's number one. Number two is we established in the US because I believe cancer is a global problem. I've been very fortunate to be able to fundraise and finance deals across the globe. The US is the main market, let's just be honest. From an equity perspective, Nasdaq is the benchmark. Every biotech that wants to be something goes to Nasdaq.

0:23:00 That's factually correct. Number two, all the best VCs are there. All the best research is in the US. So, for me, it was a no-brainer. That's why we opened up in the US. That's why I plan to be partnering with great other charities. So just in the Baltimore area, there's another charity that I'm the chairperson for, Big Tree Memorial, and there's one in Oregon, Kim's Hope in Chicago, Kendall Nicole Eich, or Fierce Foundation in Philadelphia, in Pennsylvania, or GBM Foundation in Georgia, or even WINKS, which is in Virginia. I want to bring all of these great organizations together so we can all fund up-and-coming research for GBM and other brain cancers.

Rich Bendis: Well, I think you've made a wise decision to look at this in Baltimore, the DMV area, Lance, which is a no-brainer for me. But, to be honest with you, there's assets that are unique and one-of-a-kind that only exist in that region that don't exist in any other place in the world.

0:23:55 Basically, you mentioned the FDA, NIH, NCI, CMS, which is Center for Medicare and Medicaid Services, which talks about payment for cancer treatments and patients. And then you have the largest research university in the world, Johns Hopkins University, in your backyard, right in Baltimore. So, with that collection, and then also now partnering with BioHealth Innovation—which you didn't know much about until Brad introduced us—we want to see how successful we can make you, and

how we can share in your success to expand this, not just in the BioHealth Capital Region but throughout the United States with these other foundations that you're working with.

Lance Kawaguchi: Oh, 100%. So again, for me, the DMV area, that was a no-brainer. It's 100%. I love the area every time I go there. Hopefully they accept me so I can move there.

Rich Bendis: I don't think anybody would have a problem. You can have dual residency. You can have it in Sydney, and you can also have it in the Baltimore area as well.

Lance Kawaguchi: I'm going to hold you to that, Rich. Plus, I'm going to move to Kansas City to be next to you.

Rich Bendis: Well, that would be easy to do. In the summertime, you have to find me at the Jersey Shore. We'll get you a place near the ocean. What is it that we haven't covered that you want listeners to know?

0:25:00 And we're talking to Lance Kawaguchi, the CEO of the Cure Brain Cancer Foundation in Australia, moving into the United States, and has global aspirations. So, Lance, what is it that we haven't talked about that you'd like the listeners to hear?

Lance Kawaguchi: I would like the listeners, either if you're a biotech or if you're another charity, reach out to me. I want to make sure that we want to help everyone. We're not competing with anyone. We want to help everyone. So, for me, that's the critical piece because my mother, before she passed away, she told me, "Lance, be the change that you want to see in the world." So I believe in karma. I feel that if there's a biotech that's looking for funding, if there's someone who's looking to set up a charity, or you're a charity that needs help, just reach out to us. I don't think that we've ever not helped someone, relative to the time that we have. But, again, I want to make sure people understand that we want to bring charities together, and we want to support biotechs, especially in the phase zero, which most people won't even support.

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Rich Bendis: A lot of the investors have moved into the clinical stage, so it's even harder and harder right now to do the phase zero, the pre-seed area,

which you're going to focus on, Lance. So congratulations. I want to thank you for appearing on *BioTalk* today. If listeners want to get ahold of you or Brad, is there a website or email address that they can reach out to, because we're going to publish it when we post this podcast, as well as in our newsletter. But for those who are listening that would like to hear your email address or the website, can you please give that?

Lance Kawaguchi: The best way to get ahold of me, since I travel quite a bit, is just contact me on LinkedIn—LinkedIn Messenger. That's the easiest. My kids just helped me set up my Instagram account, so it'd be really fantastic if some of you could follow me on Instagram, because apparently that's a really cool platform. So they can connect with me on Instagram. Also, my email, you can just reach out to my normal email, which is my name, lancekawaguchi@gmail.com. But, again, LinkedIn would be the easiest.

Rich Bendis: LinkedIn for Lance Kawaguchi is L-A-N-C-E K-A-W-A-G-U-C-H-I.

0:27:02 So that's how you would find him on LinkedIn. So, Lance, thanks a lot for being on *BioTalk* today. This won't be the last time that we talk or do a podcast, because I want you to give us regular updates on the progress you're making and what we can do to help you.

Lance Kawaguchi: We really appreciate it, Rich. Thank you so much, can't thank you enough, and look forward to speaking with you again.

Narrator: Thanks for listening to *BioTalk* with Rich Bendis.

End of recording