CARTA CASE STUDY

Brickell Biotech manages their equity from private to public on Carta
Brickell Biotech manages their equity from private to public on Carta

Brickell is a clinical-stage pharmaceutical company focused on the development of innovative and differentiated therapeutics for the treatment of skin diseases.

MANAGING EQUITY AS A PRIVATE COMPANY

Prior to Carta, Brickell Biotech was manually managing equity using Excel and chasing down paperwork from their employees and other stakeholders. Like other biotech companies, they rely heavily on equity to incentivize employees and consultants, which means they issue grants and update their cap table frequently throughout the year. They needed a scalable and easy platform for both their administrators and shareholders to manage equity.

Carta simplified the process and saved time for Brickell Biotech’s administrators. They are able to easily keep track of equity, print reports, and communicate information to investors through Carta. “The biggest benefits have been getting rid of all the paper, not having to track down information, and not needing to get people to physically sign documents,” says Jose Breton, Chief Accounting Officer at Brickell Biotech. As an added bonus, employees no longer have to mail in documents or transfer funds through their banks. “Our shareholders are always happy with the system.”

409A VALUATIONS

Running 409A valuations before Carta was expensive and time consuming. Even though they used a consulting firm, they still needed to be heavily involved. They found themselves spending countless hours in meetings educating the firm on their company, going through methodology, and having more frequent calls with auditors.

With Carta, they eliminated the need for a consulting firm and had all their information in one place, making it easy to run multiple valuations per year. Brickell Biotech relied on Carta’s team to handle the valuations and loop them in when necessary. With just a few calls, they were able to get the information they needed, review drafts, work with auditors, and get their 409A valuation.

““The biggest benefits have been getting rid of all the paper, not having to track down information, and not needing to get people to physically sign documents,”

-JOSE BRETON, Chief Accounting Officer
TRANSITIONING TO A PUBLIC COMPANY

Brickell Biotech later acquired a public company that was managing their equity on another stock plan administration platform. Because of this, Brickell had to decide whether to move their equity to that platform or transition the new company to Carta. “We evaluated the other solution and it just wasn’t as good as Carta—the decision was clear.”

With a dedicated manager and timelines to keep everyone on track, Brickell Biotech was able to smoothly transition as a public company on Carta. From adding new information to the platform to educating employees on equity and running their first equity event, they can rest easy knowing managing equity with Carta is just as easy as it was before.

“I now have one place for everything I need related to our equity.”

- JOSE BRETON, Chief Accounting Officer