CARTA CASE STUDY

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Immunomedics is a commercial, biopharmaceutical company that develops antibody-based products to treat cancer and other serious diseases.

Within the biotech industry, it’s common to offer equity to attract and retain employees. Immunomedics is no exception, giving their employees the opportunity to have a stake in the business and experience the financial gains from the company growing as a whole. They also grant the executive leadership team performance grants based on hitting specific milestones like approvals.

With a recent funding of $459M and FDA approval of their breast cancer treatment drug, Trodelvy, it’s more important than ever for Immunomedics to have buttoned up reporting and a shareholder-friendly equity platform.

CHALLENGES

Prior to Carta, Immunomedics was using a provider that required them to do things on paper.

Starting with paperwork that then had to be entered into the system for recordkeeping, their previous provider was manual and time consuming. From paper grants to acceptances and ink signatures, this created more work for their team. “We had a large stack of paper that was not updated in the system. We’re talking months behind—it was a disaster.”

With their transition from an R&D shop to an FDA-approved drug provider, Immunomedics needed a system to keep records online and provide an easy way for their stakeholders to manage their equity.

They focused on four areas in their search for a new provider: improved accounting, user experience, security, and risk environment. Every grant needed to be accounted for in the right way.

“Whether it’s a board member or staff member, if they come with an issue or question, we need to make sure they have a good user experience. That is where Carta has helped out.”

- DAVID CLARK, Director of Finance at Immunomedics
MANAGING EQUITY ON CARTA

Previously, Immunomedics struggled to get the reporting they needed. With Carta, it’s easy to manage their equity and keep their bookkeeping right. Admins are able to look at grants, filter information, and customize as necessary. Their recently FDA-approved drug brought on a high volume of equity transactions, and they rely on Carta for dynamic and flexible reporting. “We’ve tightened down the screws with reporting. Our internal teams and auditors are very comfortable with the calculations that Carta provides automatically.”

Carta’s dedicated support and services team helped transition Immunomedics and continually work with them to get the most out of the system. With their previous provider, they weren’t given much guidance. “We just had a sales rep that sent us our quarterly invoice, and that was it.”

EMPLOYEE EXPERIENCE

Immunomedics believes that the employee and stakeholder experience is key to running a successful equity program.

When Immunomedics made the transition to Carta, their CFO and CHRO held employee training sessions to educate and inform them on equity. Using a deck provided by Carta and posted in their internal resource center, they took the opportunity to explain what the stock plan looked like and what it meant for them as stakeholders. They showed them how the grant process works, how to track their equity in Carta, and how to exercise their options. As a result, employees are no longer afraid to ask questions about equity.

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SUCCESS WITH CARTA

Overall, from reporting to the employee experience, Immunomedics is able to get what they need to retain their employee base and grow their business. With the biggest initial concerns being risk, they feel that Carta has provided the proper reporting internally, for the SEC, and for valuations.

“We’re looking to implement more with Carta. The whole company is so satisfied that we want to continue to add more services.”

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