



## Stanford eCorner

### Funding Challenges in Today's Market

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Video URL: <http://ecorner.stanford.edu/videos/407/Funding-Challenges-in-Todays-Market>

Ringold thinks that biotech companies are fighting the consequences of what to place in the bubble of dotcoms. The bubble was not based on reality. Now it is hard for good companies to get funding, he says.



#### Transcript

And secondly, we're fighting the consequences of what took place in that horrendously crazy bubble of '.com' and everything else that was booming where people were buying stock and then saying, "Whatever you do I just want to buy some of your stock." And the market went crazy but it wasn't based on reality. And now, there's such a negative reaction as a consequence of that. And a mess out there cleaning up companies that, fundamentally, should have been companies and shouldn't have been funded at that time. That it's very hard for really good companies that are coming along today to get funded the way they should to build up real values. So we're in a very bad down cycle. Unfortunately, I think it's going to last for a while longer. Somebody asked me yesterday, "How long?" I said, "I don't know." I mean, it could be a year, it could be two years. If you look at the crash of '29, it took 30 years for the stock market to get back to the point it was before the crash. OK? So, that's a pretty daunting statistic and one I don't like to think about.