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PAGE 1 OF 8

Financings Roundup

VaxGen Reduces Celltrion Stake Via \$15M Financing

By Karen Pihl-Carey
Staff Writer

VaxGen Inc. raised \$15 million by selling a portion of its shares in Celltrion Inc. while still maintaining a significant stake in the joint venture.

The proceeds will go toward general corporate purposes, including VaxGen's anthrax vaccine and other programs. The company's stake in Celltrion, which operates a large-scale biopharmaceutical manufacturing operation in South Korea, is reduced to 22.2 percent from 26.9 percent. A group of South Korean investors purchased the shares.

"We had looked at a wide variety of financing vehicles, and this was clearly at the top of our list because it is non-dilutive," said Lance Ignon, VaxGen's vice president. *See VaxGen, Page 5*

Interim Positive Data Seen For Isotechnika's Psoriasis Drug

By Aaron Lorenzo
Washington Editor

Encouraging Phase III findings provided a boost to Isotechnika Inc., which Wednesday reported interim data from a psoriasis study of its lead immunosuppressive drug, ISA247.

"The take-home message is that we met our endpoints for the 24-week trial after 12 weeks," Isotechnika President and Chief Operating Officer Randall Yatscoff told *BioWorld Today*. "It confirms that this drug has a therapeutic window."

Called the Canadian Phase III Psoriasis (SPIRIT) trial, it met all primary and secondary efficacy endpoints with minimal side effects, he noted. Those results also are expected to pave the way for partnerships on the drug, to which the Edmonton, Alberta-based company owns all. *See Isotechnika, Page 3*

'Part Luck, Part Good Judgment'

2005 Lasker Award Given For Chance Stem Cell Discovery

By Anette Breindl
Science Editor

On Sept. 17, the Lasker Foundation announced that the 2005 Albert Lasker Award for Basic Medical Research was being shared by Ernest McCulloch and James Till, both of the University of Toronto Ontario Cancer Institute in Canada, for "ingenious experiments that first identified a stem cell – the blood-forming stem cell – which set the stage for all current research on adult and embryonic stem cells."

These days, the discovery of a new stem cell type is likely to be the result of much concentrated effort. The same can be said about the blood-forming stem cell, which McCulloch and Till first observed in 1961; the catch, though, is that the effort in that case was directed at something else altogether.

See Lasker Award, Page 4

Sandoz Files Suit Against FDA For Non-Action On Omnitrope

By Nuala Moran
BioWorld International Correspondent

LONDON – Sandoz International filed a lawsuit against the FDA in a bid to force a ruling on the new drug application for Omnitrope, Sandoz's biogeneric form of recombinant human growth hormone.

That matches a similar suit filed in Europe after European regulators turned down Omnitrope late in 2003.

Sandoz, a subsidiary of Novartis AG, of Basel, Switzerland, filed Omnitrope in July 2003. In September 2004 the FDA said that although there were "no deficiencies" in the application, it could not reach a decision. That was because of uncertainty around the scientific and legal issues involved in registering biogenerics, or follow-on protein products, as the FDA terms copies of recombinant proteins.

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OTHER NEWS TO NOTE

• **Abmaxis Inc.**, of Santa Clara, Calif., and **MaimoniDex RA Ltd.**, of Jerusalem, signed an agreement to jointly develop a therapeutic human monoclonal antibody for the treatment of rheumatoid arthritis and other inflammatory diseases. Based on its discovery of a disease-causing molecule found only in the joints of RA patients, MaimoniDex has developed a murine monoclonal antibody that has shown bioactivities both in vitro and in vivo. Abmaxis will humanize and optimize the murine antibody to develop a drug suitable for therapeutic use. MaimoniDex will pay Abmaxis an up-front technology license fee and Abmaxis also is entitled to receive future milestone payments and royalties.

• **Acambis plc**, of Cambridge, UK, after a 30-day review period of a complaint, is the subject of an investigation by the U.S. International Trade Commission in Washington. The investigation relates to alleged patent infringement on MVA smallpox vaccine products marketed by Acambis plc, and the complaint was filed by **Bavarian Nordic A/S**, of Copenhagen, Denmark, stating that Acambis imported and sold, and/or offered to sell in the U.S., MVA smallpox vaccines that infringe patents owned by Bavarian Nordic. The complaint further alleges misappropriation of Bavarian Nordic's MVA-BN proprietary technology. Bavarian Nordic is requesting the ITC to issue a permanent cease and desist order, which would prohibit Acambis from importing, selling or offering for sale in the U.S. its MVA smallpox vaccine or other products that infringe Bavarian Nordic's patents. The firms are involved in a bidding process to supply doses of MVA smallpox vaccine products to the U.S. Department of Health and Human Services under the BioShield program.

• **Aegera Therapeutics Inc.**, of Montreal, initiated its second Phase I trial for AEG35156 in combination with Taxotere (docetaxel) in patients with solid tumors. The product is a second-generation XIAP antisense therapeutic. The

multicenter trial, which aims to determine the recommended Phase II dose of AEG35156, is being coordinated by the National Cancer Institute of Canada Clinical Trials Group at Queen's University.

• **Affymax Inc.**, of Palo Alto, Calif., initiated a third Phase II trial of Hematide, a synthetic, peptide-based erythropoiesis-stimulating agent that is being developed to stimulate production of red blood cells to treat anemia in patients with kidney disease and cancer. The study is a multicenter, open-label, dose-finding trial that will evaluate repeat, subcutaneous injections of Hematide to correct anemia and maintain target levels of hemoglobin in patients with chronic kidney disease who are not on dialysis and have not been treated previously with erythropoietin.

• **Alexion Pharmaceuticals Inc.**, of Cheshire, Conn., completed enrollment in its Phase III trial of eculizumab in patients with the chronic orphan blood disorder paroxysmal nocturnal hemoglobinuria. Called SHEPHERD, it is the second of two studies comprising the overall pivotal program in that indication. About 95 patients have been enrolled, exceeding the company's objective for the open-label trial that includes 12 months of treatment and a six-month interim analysis. Eculizumab is a monoclonal antibody designed to block the terminal complement part of the immune system.

• **Amarin Corp.**, of London, said patient enrollment and first dosing began in the U.S. Phase III trial of Miraxion in Huntington's disease by The Huntington Study Group. The company expects to begin a European trial later in the year. The Miraxion Phase III trials are being conducted under a special protocol assessment procedure approved by the FDA.

• **Auxilium Pharmaceuticals Inc.**, of Malvern, Pa., extended its manufacturing agreement with DPT Laboratories for the manufacture of Testim through 2010. The existing agreement was set to expire Dec. 31. Testim is a topical testosterone gel to treat hypogonadism. DPT has manufacturing facilities in San Antonio, Texas, and Lakewood, N.J.

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Isotechnika

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psoriasis rights.

"This bodes well for a potential licensing deal," Yatscoff added. "We've been waiting to do detailed negotiations until this data came out."

But with more than C\$60 million (US\$51.2 million) in reserve, he said Isotechnika is in good position to move the program forward even without a partner. Yatscoff also predicted that marketing applications for ISA247, a cyclosporine analogue and therefore a calcineurin inhibitor, would be filed in 2008.

The 24-week, double-blinded study, which began late last year, included 453 patients with stable, moderate to severe plaque psoriasis.

They were randomized to three dosing groups of orally administered ISA247 (0.2 mg/kg, 0.3 mg/kg and 0.4 mg/kg) or placebo. All four groups were of equal size. (See *BioWorld Today*, Dec. 3, 2004.)

In the high-dose group, 48 percent of patients achieved a 75 percent reduction in their Psoriasis Area and Severity Index (PASI) score and 72 percent achieved a PASI 50 score. In the middle-dose group, 24 percent and 47 percent achieved PASI 75 and PASI 50 scores, respectively. At those two dose levels, both PASI 50 and PASI 75 scores were clinically significant compared to placebo. The mean reductions in PASI scores among high- and middle-dose patients were 62.5 percent and 44 percent, respectively.

Also, there were no clinically significant differences in mean serum creatinine and glomerular filtration rate. Incidences of treatment-related adverse events in study drug patients were similar to those receiving placebo and unrelated to dosing, though after 12 weeks of treatment, four high-dose patients and one in the middle-dose group were withdrawn due to a clinically significant effect on kidney function.

But there were no clinically significant changes noted in hypertension, cholesterol, triglycerides and infectious complications. The adverse event monitoring results in part from ISA247's action, which is the same as tacrolimus and cyclosporine, but Yatscoff called its renal impact "a fraction of what you see for cyclosporine and other drugs of this class." Concurrent with the initial Phase III trial is a carcinogenicity study in animals.

In addition to establishing a better profile for ISA247 than other calcineurin inhibitors, Isotechnika also is posi-

tioning its product against more recent entries into the psoriasis market: the biologics. Those drugs have infectious complications, Yatscoff said, and are either intravenously infused or injected subcutaneously intramuscularly, while ISA247 is delivered orally twice daily.

"With our favorable side effect profile, this has the potential to be first-line therapy," Yatscoff said. "And compared to the biologics, it's less expensive, easier to use and easier to monitor, so there are a number of advantages."

Going forward, Isotechnika expects to begin two further Phase III trials, one in the U.S. and another in Europe. Meetings with regulatory authorities on such studies would occur after the company reports full 24-week data from the trial, which Yatscoff expects to happen early next year. He added that the future studies would test a single dose, either 0.3 mg/kg or 0.4 mg/kg of ISA247, vs. placebo or comparator medications.

Beyond psoriasis, ISA247 just entered a Phase IIb study to evaluate its ability to block rejection in kidney transplant patients as part of a collaborative effort with F. Hoffmann-La Roche Ltd., of Basel, Switzerland. Elsewhere in Isotechnika's clinical pipeline is another immunosuppressive compound called TAF93, a prodrug of the mTOR inhibitor rapamycin. Applications being studied include uses in stents, oncology and transplants.

On Wednesday, the company's stock (TSE:ISA) gained C32 cents to close at C\$2.64. ■

OTHER NEWS TO NOTE

• **Avantogen Ltd.**, of Sydney, Australia, and **Innovate Oncology Inc.**, of New York, said pancreatic cancer results on RPI01 reported at the International Conference on Tumor Progression and Therapeutic Resistance in Burlington Mass., showed that the product extends survival beyond previous results of RPI01 co-administered with standard chemotherapy. The new data showed that 10 of 13 original patients survived at least one year following treatment; median survival was 447 days. Time to progression was 280 days, and presently, four of the original 13 remain alive for nearly two years. Avantogen, formerly called Australian Cancer Technology, and Innovate have jointly licensed RPI01 from **RESprotect GmbH**, of Dresden, Germany, and plan to sponsor clinical trials in the U.S. starting early next year.

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Lasker Award

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"We weren't looking for it," James Till told *BioWorld Today*. "We were trying to measure the radiation sensitivity of normal mouse marrow cells." Toward that aim, the scientists were doing quantitative bone marrow transplants of irradiated cells, to test whether and how irradiating cells affected their ability to divide.

"It so happened that [McCulloch] came in on a Sunday to do autopsies on these mice, and he noticed these lumps in their spleen," Till said. In the mouse, unlike in humans, the spleen is a blood-forming organ. When McCulloch graphed his data, he found that the more marrow cells he transplanted, the more lumps he saw. "So when he showed me the data on Monday, we both got excited. Because we both interpreted them the same way.

"He could have easily overlooked them," Till said. "It wasn't like they stood out like a sore thumb, they were just noticeable." In fact, Till and McCulloch were not the first to notice the lumps. "They had been noticed before and described as local areas of regeneration," Till said. But that implied that there might be several different cell types involved, and Till's graduate student, Andrew Becker, showed that the lumps were derived from a single precursor cell that could give rise to different blood cell types, including both red and white blood cells.

Whether adult blood stem cells existed (and if so, whether there were different stem cells for different blood cell types) was a controversial topic at the time. So the fact that their data provided conclusive evidence for a single multipotent blood stem cell "got hematologists a little excited," Till said, with modesty.

Till described the discovery as "part luck, part good judgment." The discovery might have been part luck, but it spawned a stem cell collaboration with McCulloch that lasted more than a decade. After that, McCulloch went on to what Till described as "more practical work in leukemia."

Asking The Right Questions

Like McCulloch, Till found himself interested in doing more applied work; however, because he is not an MD, he was unable to work with patients directly. Instead, Till set out to improve clinical trials so that they were able to more rigorously measure a rather murky concept at the time: quality of life in seriously ill patients, specifically cancer patients.

Many cancer clinical trials, then and now, focus on increased survival as their primary goal. However, Till pointed out that "improving quality of life can be very worthwhile even if survival is not prolonged. So I set out to measure that in a reasonably rigorous fashion."

The problem is that there is no standard tool for measuring pain. "There is no gadget," Till said. "You have to ask questions. And you have to ask the right questions because if you just ask a cancer patient, 'Are you in pain?' of course

the answer is always yes."

Till dedicated himself to finding the questions that would allow clinicians to understand patients' pain in more useful detail, and find effective treatments for it. "I worked on that for quite a while with a very talented group of people," he continued, "and it is something that has made a significant difference to cancer patients."

'We've Changed The Culture'

Nancy Brinker, founder of the Susan G. Komen Foundation for breast cancer research and recipient of the 2005 Mary Woodard Lasker Award for Public Service, is another person who understands the importance of quality-of-life issues for cancer patients. The Susan G. Komen Foundation was born out of a promise Brinker made to her dying sister: She would make sure other women would not have to suffer as her sister had suffered.

Like Till, through her foundation Brinker takes what she terms a multifaceted approach to a multifaceted disease. The Komen foundation supports both "soft" quality-of-life approaches and, through its basic and clinical research grants, hard-nosed research. The Lasker Foundation recognized that dual approach; in the words of the jury, Brinker was honored "for creating one of the world's great foundations devoted to curing breast cancer and dramatically increasing public awareness about this devastating disease."

In a commentary on her award, to be published in the October 2005 issue of *Nature Medicine*, Brinker writes about both aspects of fighting breast cancer. She describes the importance of research efforts to eradicate breast cancer, noting that Komen foundation grants have, to date, funded research on such major topics as key cancer genes, telomerase, and angiogenesis inhibitors.

But Brinker also writes about the importance of addressing quality-of-life issues for breast cancer patients, noting: "We've changed the culture. When [my sister] Suzy was diagnosed, breast cancer was still a silent epidemic. People called it 'the Big C,' as if you might catch cancer just by saying the word." Today, she said, instead of breast cancer being almost shameful, patients, survivors and their families wear "pink ribbons as a badge of courage." ■

OTHER NEWS TO NOTE

- **Avitar Inc.**, of Canton, Mass., received approval to list its common stock on the Over-the-Counter Bulletin Board under the symbol "AVRN." Avitar develops, manufactures and markets products for the oral fluid diagnostic market, the disease and clinical testing market, and customized polyurethane applications used in the wound dressing industry.

VaxGen

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dent of corporate affairs. "Yet we raised a meaningful amount of money, and we also retained a significant stake in Celltrion, which is a very important joint venture to us."

The company expects to receive about \$10 million in gross proceeds this month, and the remaining amount of \$5 million by the end of November. The gross proceeds are subject to a 0.5 percent transfer tax, and net proceeds are subject to exchange rate fluctuations.

Brisbane, Calif.-based VaxGen established Celltrion in 2002, along with three South Korean partners, Nexol Corp., KT&G Corp. and J. Stephen & Co. Ventures Ltd. Ignon said one of those three partners participated in the financing, although he would not disclose which one.

Celltrion manufactures therapeutic monoclonal antibodies and recombinant proteins and employs about 150 people worldwide.

In June, the company entered an agreement to manufacture biologic products being developed by New York-based Bristol-Myers Squibb Co., representing the largest biologics manufacturing contract ever for an Asian biopharmaceutical contract manufacturer, VaxGen said.

VaxGen raised \$40 million last November in a direct offering of common stock, just a few weeks after winning an \$878 million government contract for its anthrax vaccine. The contract calls for the company to deliver 25 million doses of the vaccine next year and 50 million doses in 2007. (See *BioWorld Today*, Nov. 8, 2004, and Nov. 23, 2004.)

"We get paid on that when we deliver, not before," Ignon said.

The company also is developing a smallpox vaccine, LC16m8, in partnership with the Chemo-Sero-Therapeutic Research Institute (Kaketsuken), a government-backed business in Kumamoto, Japan.

That vaccine has completed a Phase I/II program, and "we're expecting to launch a Phase III safety trial roughly toward the end of this year, beginning of next year," Ignon told *BioWorld Today*.

And VaxGen is developing a meningitis B vaccine in partnership with EndoBiologics International, of Missoula, Mont. The vaccine is in early stage, proof-of-concept testing.

"If that works out, we'll start a clinical commercial development program next year," Ignon said.

As of Sept. 19, VaxGen had \$30.2 million in cash, cash equivalents and U.S. government receivables. The company has not filed financial statements since Dec. 31, 2003, because it discovered that it was underestimating revenue from its government contracts and needed to restate its finances for 2001, 2002 and 2003, and apply the same model to its 2004 finances.

VaxGen expects to file those statements in the fourth quarter. In the meantime, its stock is trading on the Pink Sheets. Shares (Pink Sheets:VXGN) rose 73 cents Wednesday to close at \$14.90.

In other financing news:

GenVec Inc., of Gaithersburg, Md., watched its shares (NASDAQ:GNVC) sink almost 15 percent on news that the company agreed to offer 7.25 million shares of its common stock at \$2 each, a significant discount to the company's closing price on Tuesday of \$2.45. Shares closed Wednesday at \$2.09, down 36 cents. The offering, expected to close Sept. 26, will bring GenVec \$14.5 million in gross proceeds, or \$13.4 million in net proceeds. The money will fund ongoing product development, including the company's clinical trials and the expansion of manufacturing capabilities and general corporate purposes. SG Cowen & Co. LLC is acting as exclusive placement agent for the transaction.

CoTherix Inc., of South San Francisco, filed a registration statement to offer 4.5 million shares of common stock. About 500,000 of the shares will be sold by stockholders of CoTherix, who, along with the company, plan to grant underwriters an overallotment option for an additional 675,000 shares. CIBC World Markets Corp. and UBS Investment Bank will act as joint book-running managers, and Piper Jaffray & Co. and Needham & Co. LLC will act as co-managers of the offering. CoTherix is developing products to treat cardiopulmonary and other chronic diseases, such as Ventavis inhalation solution, which was FDA-approved in December for pulmonary arterial hypertension. The company's stock (NASDAQ:CTRX) fell 43 cents Wednesday to close at \$13.61. ■

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Sandoz

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A Sandoz spokesman said, "Since then, nothing has happened at all on the FDA front. There has been no progress, and that is why we issued the lawsuit."

The FDA did hold public workshops to assess scientific considerations related to developing biogenerics in September 2004 and then in February. "We participated in those meetings," said the Sandoz spokesman. "There were no new items raised and no new science."

Under both the Federal Food Drug and Cosmetic Act and the Food Prescription Drug User Fee Act, the FDA is required to either approve or reject NDAs, and cannot leave a drug in limbo. The lawsuit, filed in the U.S. District Court for the District of Columbia, aims to reverse the FDA's failure to rule on Omnitrope in accordance with the legal requirement.

While the lawsuit is still pending in Europe and there has been no progress on the Omnitrope application, the spokesman said the situation has become clearer. This is a result of the European Medicines Evaluation Agency (EMA) issuing final guidelines outlining the general principles for the development and assessment of marketing authoriza-

tion applications for biosimilars (the preferred terms for biogenerics in Europe).

The guidelines include detailed approval requirements for human growth hormone, insulin, erythropoietin and granulocyte-colony stimulating factor. "Our first reaction [to the guidelines] was favorable," said the Sandoz spokesman.

Another biogenerics manufacturer, GeneMedix plc, of Newmarket, UK, also has reacted favorably to the guidelines. Paul Edwards, CEO, said they are broadly in line with expectations and reduce the risk of non-compliance with the registration pathway.

GeneMedix recently completed an erythropoietin manufacturing facility in Tullamore, Ireland, which now is producing commercial-scale batches. The EMA guidelines will require the company to carry out a 12-month immunogenicity study in 300-plus patients, extending the overall clinical trial by three to six months, but Edwards said that would not disadvantage GeneMedix, as any competitors will have to carry out the same studies.

Interested parties have until the end of October to comment on the EMA guidelines. ■

OTHER NEWS TO NOTE

- **Bioenvision Inc.**, of New York, enrolled its first seven patients in a Phase IV study in the UK of Modrenal in post-menopausal women with advanced breast cancer who have failed prior endocrine therapy with the new generation of aromatase inhibitors. Modrenal is licensed in the UK to treat post-menopausal advanced breast cancer following relapse on prior therapy and has demonstrated clinical benefit rates up to 55 percent.

- **Cellectis SA**, of Romainville, France, entered a research collaboration and license agreement with **Biogen Idec Inc.**, of Cambridge, Mass., to develop a custom Meganuclease Recombination System designed to enable reproducible high-yield production of target proteins in mammalian cells. Cellectis will engineer a meganuclease and DNA targeting matrix to induce site-specific homologous recombination. Financial terms were not disclosed.

- **Cephalon Inc.**, of Frazer, Pa., and **Alkermes Inc.**, of Cambridge, Mass., received notification from the FDA that the PDUFA date for Vivitrex, a naltrexone long-action injection for the treatment of alcohol dependence was extended to Dec. 30. The companies anticipate launching Vivitrex in the first half of 2006. The extension is a result of the FDA classifying a recent response by Alkermes as a major amendment to the NDA, which permits the FDA to extend the action date by 90 days under PDUFA regulations.

- **Ceregene Inc.**, of San Diego, began a Phase I study of CERE-120 to treat Parkinson's disease. The product is a gene

therapy that delivers the neurturin (NTN) gene via an adeno-associated virus Type II vector delivery system, and the company owns exclusive technology and product rights to it. The naturally occurring NTN gene encodes the NTN protein that maintains survival of dopamine-producing nerve cells that are required for normal bodily movement and are the nerves that degenerate in Parkinson's disease patients.

- **CuraGen Corp.**, of New Haven, Conn., said that during August and September, the company repurchased \$23.9 million of face value of its 6 percent convertible subordinated notes due February 2007. The aggregate purchase price for the face value of the 2007 notes was \$23.8 million. CuraGen is focused on protein, antibody and small-molecule therapeutics in the areas of oncology, inflammatory diseases and diabetes.

- **Dendreon Corp.**, of Seattle, presented new data showing that modulation of the Trp-p8 tumor target with small molecules might represent a new approach to cancer therapy. Also, the company has identified several lead candidates for future clinical study that are orally bioavailable and agonists of Trp-p8, it said. The data were presented at the Ion Channel Targets Conference in Waltham, Mass. Trp-p8 is normally expressed in the prostate and overexpressed in numerous cancers.

- **Diosynth Biotechnology**, of Research Triangle Park, N.C., agreed to an amendment of the current agreement it has with **NeoPharm Inc.**, of Lake Forest, Ill. Under the amendment, Diosynth will perform validation and conformance lot manufacturing of NeoPharm's IL 13-PE38QQR (cintredekin besudotox) drug candidate if NeoPharm is able to move forward with a biologic license application once it completes its pivotal Phase III trial for glioblastoma multiforme.

OTHER NEWS TO NOTE

• **Elan Corp plc.**, of Dublin, Ireland, and **Biogen Idec Inc.**, of Cambridge, Mass., expect the safety evaluation of Tysabri in Crohn's disease and rheumatoid arthritis will be completed in the coming weeks. It also said it would submit a supplemental biologics license application for Tysabri in multiple sclerosis to the FDA. In February, the companies had suspended ongoing clinical trials based on three reports of multifocal leukoencephalopathy or PML, a demyelinating disease of the central nervous system. A previous safety evaluation of Tysabri to treat multiple sclerosis did not show any new confirmed cases of PML. (See *BioWorld Today*, March 1, 2005.)

• **Genaera Corp.**, of Plymouth, Pa., started its pivotal Phase II trial for the mucoregulator drug, Lomucin, in people with cystic fibrosis. Cystic Fibrosis Foundation Therapeutics Inc., the nonprofit drug discovery and development affiliate of the Cystic Fibrosis Foundation, is supporting the pivotal trial with funding of up to \$2.35 million in milestone-driven matching funds. The study, which will be initiated in Ireland, will evaluate Lomucin in 200 cystic fibrosis patients.

• **Genaissance Pharmaceuticals Inc.**, of New Haven, Conn., entered a pharmacogenomic research collaboration with **Otsuka Pharmaceutical Co. Ltd.**, of Tokyo. Terms of the deal call for Genaissance to apply its HAP Technology to identify genetic markers related to drug response. Both companies will jointly own resulting intellectual property, and both will be eligible to receive royalties.

• **Gentium SpA**, of Villa Guardia, Italy, is beginning an independent Phase I/II study at 10 cancer centers in Italy of Defibrotide to treat multiple myeloma. The study is a Phase I/II study designed to assess the safety and the efficacy of Defibrotide with MPT regimen as a salvage treatment in advanced refractory multiple myeloma patients. Defibrotide is a single-stranded DNA that protects the vascular endothelial cells, particularly those of small vessels, from damage and activation, Gentium said.

• **Inflazyme Pharmaceuticals Ltd.**, of Vancouver, British Columbia, received about C\$3.4 million (US\$2.9 million) from the restructuring of one of its wholly owned subsidiaries that will be used to fund operations until the end of 2007. Inflazyme also entered a put agreement that assures the ability to sell its holdings in the subsidiary for an additional C\$2.5 million, an option exercisable upon the satisfaction of certain conditions or in any event on March 15, 2006. Inflazyme expects to realize the additional money before then, it said.

• **Institute of Systems Biology** in Seattle, and **Kreatech Biotechnology**, of Amsterdam, the Netherlands, have formed an arrangement between Kreatech and the institute for the use of its commercial products. Kreatech's platinum based "Universal Linkage System" (ULS), a non-enzymatic way of labeling

nucleic acids with detectable molecules such as fluorophores, has been adopted by a research group and now is the preferred labeling method for both bacterial gene expression profiling and chip on chip assays that have been developed at the ISB.

• **Large Scale Biology Corp.**, of Vacaville, Calif., and **Icon Genetics AG**, of Munich, Germany, completed the research phase of their collaborative program to co-develop a biopharmaceutical product for enzyme-replacement therapy and began its commercial phase. They had been working to apply their gene expression and biomanufacturing resources for such a product, by way of their plant-based platforms. Future details of the agreement were not disclosed.

• **Laureate Pharma Inc.**, of Princeton, N.J., and **Enobia Pharma Inc.**, of Montreal, entered an agreement for process development and manufacture of cGMP batches of Enobia's recombinant enzyme sPHEX Metallo Peptidase. Also, Laureate Pharma expects to supply Enobia with material for Phase I trials in the third quarter of 2006. Terms of the agreement were not disclosed.

• **Medicure Inc.**, of Winnipeg, Manitoba, said the FDA has granted Medicure's cardioprotective drug, MC-1, fast-track designation as a treatment to reduce cardiovascular and cerebrovascular events associated with ischemic and/or ischemic reperfusion injury in patients experiencing percutaneous coronary interventions, coronary artery bypass graft surgery and acute coronary syndrome. MC-1 is a naturally occurring small molecule that reduces the amount of damage to the heart following ischemia and/or ischemic reperfusion injury.

• **Microslet Inc.**, of San Diego, said the American Stock Exchange accepted its plan to regain compliance with listing requirements after failing to file its Form 10-QSB for the period ended June 30. The listing is being continued pursuant to an extension predicated on the company being in compliance with all continued listing standards by Oct. 6. Microslet said it has been unable to file the form due to a continuing analysis of its accounting for warrants issued to service providers last year.

• **Millenium Biologix Corp.**, of Kingston, Ontario, said at the Eurospine 2005 Congress in Barcelona that the European commercial launch of Primacoll has occurred. Primacoll is a synthetically manufactured bioactive peptide that is combined with Skelite, Millenium's synthetic bone graft substitute. That combination has shown to be effective in the initial stages of bone repair, it said. The commercialization of Primacoll will be handled by Millenium's European distributors.

• **NitroMed Inc.**, of Lexington, Mass., reported new data at the annual meeting of the Heart Failure Society of America held in Boca Raton, Fla. The data, which were co-sponsored by NitroMed and the Association of Black Cardiologists, suggest that BiDil (isosorbide dinitrate/hydralazine hydrochloride) can inhibit left ventricular remodeling in patients with severe heart failure. Echocardiograms from 678 patients performed at both baseline and at six months were analyzed for specific cardiac parameters.

OTHER NEWS TO NOTE

• **OrthoLogic Corp.**, of Tempe, Ariz., said the online version of *Journal of Cellular Physiology* published findings that Chrysalin accelerates the growth of new blood vessels that have already sprouted, which can be an advantage for bone and tissue repair. Preclinical studies have shown that Chrysalin stimulates wound repair and fracture healing, and that the response is associated with enhanced growth of new blood vessels. The new study examined more closely the mechanism by which Chrysalin stimulates neovascularization.

• **OSI Pharmaceuticals Inc.**, of Melville, N.Y., said Tarceva (erlotinib) received European approval for the treatment of patients with locally advanced or metastatic non-small-cell lung cancer after failure of at least one prior chemotherapy regimen. The approval is based on data from a pivotal Phase III study, recently published in *The New England Journal of Medicine*, which compared Tarceva to placebo in treating lung cancer patients following failure of first- or second-line chemotherapy. As with previous U.S., Swiss and Canadian approvals, no mandatory testing for epidermal growth factor receptor (EGFR) is required. The latest approval was handled by OSI's international partner, **F. Hoffmann-La Roche Ltd.**, of Basel, Switzerland.

• **Oxigene Inc.**, of Waltham, Mass., started a Phase II trial of Combretastatin A4 Phosphate (CA4P) in triple combination therapy with carboplatin and paclitaxel to treat relapsed, advanced platinum-resistant ovarian cancer. The trial will be an international, open-label trial designed to determine the safety and efficacy of CA4P in combination with the other therapies. It will be initiated at cancer centers in the UK and the U.S.

• **OXIS International Inc.**, of Portland, Ore., which focuses on developing technologies for the diagnosis of diseases resulting from oxidative stress, and **BioCheck Inc.**, of Foster City, Calif. a producer of enzyme immunoassay research kits, entered a definitive agreement for OXIS to acquire up to all of the outstanding capital stock of BioCheck for an aggregate purchase price of up to \$6 million in cash, subject to approval by BioCheck's stockholders. BioCheck would become a subsidiary of OXIS.

• **Praecis Pharmaceuticals Inc.**, of Waltham, Mass., presented preclinical data on its investigational compound, PPI-2458, at the Cambridge Healthtech Institute's Inaugural Targeted Cancer Therapies Conference held in Cambridge, Mass. PPI-2458 is a molecule belonging to the fumagillin class of compounds that specifically targets the MetAP-2 enzyme. That class of compounds has been shown to prevent both abnormal cell growth and the formation of new blood vessels.

• **QLT Inc.**, of Vancouver, British Columbia, said that preliminary analysis of the intent-to-treat population of the Visudyne in Occult (VIO) trial did not achieve the primary endpoint at the two-year time point. VIO is part of a broader series of trials conducted with Visudyne in patients with

predominantly occult CNV. Two earlier trials have previously demonstrated evidence of efficacy in this patient population. The company is still conducting further analyses on relevant subgroups. The results of the full efficacy and safety analyses together with the combined evidence from the three trials will be discussed in the upcoming meeting of the Data and Safety monitoring committee (DSMC) and in advisory boards. QLT's stock (NASDAQ:QLTI) lost \$1.09 Wednesday, or 13.1 percent, to close at \$7.22.

• **Savient Pharmaceuticals Inc.**, of East Brunswick, N.J., filed a citizens' petition with the FDA requesting that no abbreviated new drug applications be approved for generic oral products containing oxandrolone prior to the expiration of the company's exclusive labeling for geriatric dosing on June 20, 2008. The FDA's guidance on geriatric labeling requires that ANDA's contain the same geriatric labeling as the Reference Listed Drug.

• **The University of Gottingen** in Germany said results of a five-year study showed that colorectal cancer patients treated after surgery with one injection of a 131I-labeled labetuxumab antibody, developed by **Immunomedics Inc.**, of Morris Plains, N.J., survived twice as long as either historical controls or a contemporaneous control group of patients receiving either chemotherapy or no therapy. The data were published in a recent issue of *The Journal of Clinical Oncology*. Involved were 23 patients who had complete resection of their liver metastases. Patients that received the Immunomedics antibody had a 68-month median survival, compared to patients receiving either chemotherapy or no therapy who had a 31-month median survival.

• **Transgene SA**, of Strasbourg, France, voluntarily delisted its American depository shares from the Nasdaq market due to their low trading volume and the growing costs of a dual listing with shares also on the Paris Eurolist markets. They represented less than 1 percent of the company's share capital at the end of last month, it said.

• **XTL Biopharmaceuticals Ltd.**, of Rehovot, Israel, closed its license and asset purchase agreement with **VivoQuest Inc.**, of Valley Cottage, N.Y., giving XTL an exclusive license to VivoQuest's intellectual property and technology, including hepatitis C virus compounds and VivoQuest's compound library. Also XTL made a \$1.4 million up-front payment by way of issuing about 1.3 million shares. All other amounts to be paid to VivoQuest will be subject to the achievement of certain milestones. Also, members of the VivoQuest's U.S.-based research and development team joined XTL, along with a pair of scientific advisers.

• **Zen-Bio Inc.**, of Research Triangle Park, N.C., received a 24-month \$961,578 Phase II Small Business Innovation Research grant from the National Institutes of Health in Bethesda, Md. The grant will be used to fund the development and characterization of a human omental adipocyte cell system. Customers will be able to use the system to evaluate potential new drugs and therapies, and to elucidate some basic functions of the highly metabolically active endocrine organ, it said.