BioSpect
the business of Bi
24 years of leveraging the business of Bio
www.biospectrumindia.co

Orchid, Allecra ink pact to develop novel antibiotics

19 April 2013 | News | By BioSpectrum Bureau

Orchid, Allecra ink pact to develop novel antibiotics

Chennai-based pharma firm, Orchid Pharma entered into a strategic partnership with Europe-based venture capital funded Allecra Therapeutics to develop novel antibiotics to combat multi-drug resistant bacterial infections. As part of its investment into Allecra, Orchid has assigned to Allecra IP (Intellectual Property) related to an antibiotic discovery program which will then be pursued through further trials by Allecra.

Under the terms of the Agreement, together with shareholding, Orchid will also be paid an upfront sum and is eligible to receive further royalties and exit bonuses based on Allecra's progress.

Allecra's Ã¢â??Â¬15 million Series A financing round was co-led by Edmond de Rothschild Investment Partners and Forbion Capital Partners. EMBL Ventures also participated. Orchid was represented by the law firm Latham and Watkins.

Bacterial resistance to current antibiotics is widespread and growing exponentially leading to increased urgency to combat what has been called the "epidemic of antibiotic-resistance". Allecra will aim to contribute to this cause by developing new treatments which overcome emerging bacterial resistance mechanisms, thereby saving lives of patients whose infections may otherwise be inadequately treated.

Commenting on this partnership, Mr K Raghavendra Rao, chairman and managing director, Orchid said, "We have always believed in building collaborative business models to achieving our vision. This strategic partnership with Allecra is yet another demonstration of how we can create value by harnessing the relative strengths of each company.

Mr Nicholas Benedict, CEO, Allecra said, "To combat the increasing threat of bacterial resistance the medical community is trying to conserve the use of currently available antibiotics. At the same time, the biopharmaceutical industry is working to find new antibiotics. These objectives are complimentary activities in the increasingly urgent battle against bacterial resistance. Allecra has been formed in order to find new cures for some of the most widespread and hardest to treat resistant infections."