BioSpectrum the business of Bio & Health Sciences

Allergen to acquire Oculex for $230 M

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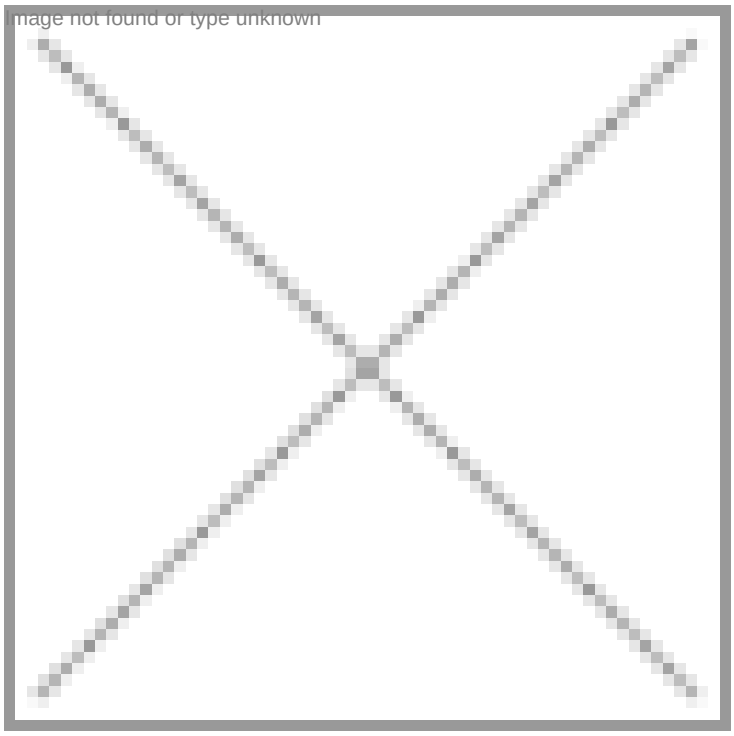

Allergan Inc. entered into a definitive merger agreement to acquire Oculex Pharmaceuticals Inc., subject to certain conditions, including Federal Trade Commission and Oculex shareholder approval. Allergan will pay approximately $230 million for the Oculex business in an all cash transaction. Allergan expects the acquisition to be completed by the end of November 2003. Oculex is a privately held company developing innovative, therapeutic products for the treatment of major, sight-threatening diseases of the eye. Its investigational product, Posurdex, is a proprietary, biodegradable, sustained release implant that delivers dexamethasone to the targeted disease site at the back of the eye. Phase 2 clinical trials for Posurdex presented earlier this year showed promising results. Allergan intends to initiate Phase 3 clinical trials for it in early 2004. Allergan Inc., with headquarters in Irvine, California, is a technology-driven, global health care company providing eye care and specialty pharmaceutical products worldwide.

Baltimore VC plans $1 billion new fund

New Enterprise Associates (NEA), a Baltimore-based VC firm, plans to set up $1 billion fund for health care and life sciences investments. NEA had a strong portfolio towards technology and communications opportunities and wants to diversify. Its tenth fund closed September 2000 was $2.2 billion in size. The firm, founded in 1978, has $5 billion in capital under management. NEA invests at all stages, but it is more interested in providing start-up capital, or the first outside funds a company raises. By becoming involved at an early stage, it feels it is able to add value and provide guidance through the critical early stages of a company's life.

ChemoCentryx **gets $14M NIH grant**

ChemoCentryx has got a $14 million grant to develop first-in-class immune modulatory agents targeting chemokine receptors for the prevention and treatment of infectious diseases that may be caused by biological warfare pathogens from the National Institute of Allergy and Infectious Diseases (NIAID), part of the National Institutes of Health. The grant will support drug discovery efforts including small molecule screening, medicinal chemistry optimization and pre-clinical development. This research is intended to harness the unique power of the chemokine system, a primary regulator of the migration of immune cells throughout the body. ChemoCentryx's approach is to discover and develop orally bioavailable small molecules to block or stimulate a given chemokine receptor. This grant was made under the NIAID's cooperative research program for the development of new vaccines, adjuvants, therapeutics, immunothera-peutics or diagnostics focused on NIAID category A-C biodefense pathogens. ChemoCentryx discovers, develops and commercializes small molecule medicines for autoimmune diseases, inflammatory disorders,cancer and infectious disease. Its Traficet-EN, orally active drug for inflammatory bowel disease, will enter clinical trials in 2003. Other products include an orally active development candidate for rheumatoid arthritis and multiple sclerosis, and emerging drug candidates for cancer and cardiopulmonary inflammation.

Biotech cos go public

Almost after a gap of 12-18 months, biotech firms went public this October. There are about 20 odd biotech companies waiting to go public now and raise close to $1 billion according to some analysts.

Genitope Inc. went public offering 3,700,000 shares of its common stock at $9 per share on the Nasdaq. Genitope has granted the underwriters the right to purchase up to an additional 555,000 shares of common stock to cover over allotments, if any. Genitope is a biotechnology company focused on the research and development of novel immunotherapies for the treatment of cancer. Its lead product candidate, MyVax, personalized immunotherapy, is a patient-specific active immunotherapy based on the unique genetic makeup of a patient's tumor and is designed to activate the patient's immune system to identify and attack cancer cells. Genitope was launched in 1996 and still has no product on the market. It is in the final phase of testing a vaccine to treat non-Hodgkin's lymphoma. It produces a personalized vaccine for each patient and this was built on technology developed at Stanford University.

CancerVax Corp., a biopharma company focused on cancer therapies, began trading on the Nasdaq hoping to raise up to $115 million through its IPO. It ended up with $72 million after pricing six million shares at $12 per share. The company had raised over $125 million in venture funding since its 2000 inception, including a $41.4 million Series C round in August at a post-money valuation of approximately $174 million from investors like Forward Ventures, Vector Fund Management, JPMorgan Partners and WestLB Asset Management. Each Series C share was converted at a price of $8.84 per share at the time of the IPO. Its vaccine research and development programs are focused on obtaining approval of the Canvaxin therapeutic vaccine for the treatment of melanoma and colon cancer.

Myogen Inc., a biopharmaceutical company focused on the discovery, development and commercialization of small molecule therapeutics for the treatment of cardiovascular disease, announced the pricing of its IPO of 5,000,000 shares of its common stock at the public offering price of $14.00 per share, before underwriting discounts and commissions. It had raised a total of $127.3 million in venture capital financing (plus $5.3 million worth of term loans), most of which came from New Enterprise Associates (28.5 percent pre-IPO ownership, 23 percent post-IPO ownership), JPMorgan Partners (20.4 percent pre-IPO, 16.4 percent post), InterWest Partners (13 percent pre-IPO, 10.4 percent post-IPO), Perseus-Soros Biopharmaceutical Fund (8.1 percent pre-IPO, 6.5 percent post-IPO) and Sequel Venture Partners (6.3 percent pre-IPO, 5 percent post-IPO).