

Worth a lot more than a tour of a candy manufacturing plant

Drug developers' Golden Ticket

By Brian Orelli

It won't get you the right to see the Oompa Loompas, but a Golden Ticket for MBC Biolabs could be even more valuable to a startup. In addition to a year of lab bench space and access to core facilities at MBC Biolabs' incubator, paid for by multiple large drug companies that sponsor the program, the startup gets an immediate warm relationship with the sponsor, including multiple interactions over the year and potentially beyond. The Golden Ticket also allows the winners to get into the incubator quicker than applying directly to MBC Biolabs, which typically has a three- to six-month wait list and only picks the top applicants from approximately 10 applications per month.

"Entrepreneurs just need someone to give them a chance," Robert Blazej, director at MBC Biolabs and a partner at Mission Bay Capital, told *BioWorld*. "The sponsors of those Golden Tickets give those companies a chance to prove that what they're going after is possible, and without that opportunity some companies might not exist."

Amgen Inc., Abbvie Inc., Astellas Pharma Inc., Celgene Corp. and Les Laboratoires Servier SAS all sponsor Golden Tickets through MBC Biolabs.

For Abbvie, the program allows the company to get access to early stage companies working in disease areas the pharma is interested in. "The Golden Ticket program with MBC Biolabs is a natural extension of how we think about business development: being true partners by providing not only funding but also mentorship and scientific expertise as these early stage companies develop," Adam Houghton, vice president of corporate strategy office and head of Abbvie Ventures, told *BioWorld*. "This effort is also an example of Abbvie asserting its presence in the [San Francisco] Bay Area and taking a leadership position within the thriving biotech community."

Latest crop

PTM Therapeutics Inc. and Bacchus Therapeutics, the latest winners sponsored by North Chicago-based Abbvie, will move into MBC Biolabs' incubator space shortly.

PTM was founded by CEO Jennifer Cheng and Tony Liang, PTM's vice president of research and Cheng's husband. Having



MBC Biolabs

worked in the industry for 15 to 20 years, "we were at a point that we both wanted to start our own thing," Liang told *BioWorld*.

Liang had worked in Charles Parkos' lab as a technician early in his career and kept in touch with him over the years. Parkos, the chair of pathology at the University of Michigan Medical School, along with a research associate professor in his lab, Jennifer Brazil, also helped found the company based on Parkos and Brazil's work on post translational modifications (PTMs) in inflammatory bowel disease (IBD) that was licensed to PTM Therapeutics.

The newco's lead candidate, PTM-001, is an antibody targeting a carbohydrate PTM on CD44v6 that Parkos and Brazil have found is present in times of inflammation in colon tissue of patients with ulcerative colitis or Crohn's disease. By binding the carbohydrate, the antibody accelerates epithelial wound healing in animal models of IBD and in vitro models of epithelial wounding.

PTM has been self-funded to date with lab work conducted at CROs. "We're currently trying to raise a seed round from investors and winning this Golden Ticket will give us a huge push because that means Abbvie saw something in us that they liked," Liang said.

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The free lab space and access to shared equipment is also a huge benefit to the company at this stage. “It’s high-end equipment that we just can’t touch with our budget right now.”

PTM is continuing its preclinical work and hopes to file an IND and start a phase I study within 24 months.

Bacchus Therapeutics, named after the god of agriculture, wine and fertility, is focused on cancer metabolism. “Cancer is like Bacchus; it just keeps eating and eating and eating,” Arvin Gouw, founding CEO at Bacchus, told *BioWorld*. The issue, Gouw explained, is that if you starve the cells for one energy source, they’ll just switch to another source.

In his post-doctoral fellowship in the laboratory of Dean Felsher, who is the founding chairman of Bacchus and a professor of medicine-oncology at Stanford University, Gouw found KRAS induces fatty acid synthase, highlighting inhibitors of lipid production as a potential target to stop tumor growth. “Regardless of what they eat – sugars, glutamine, glutamate – they all need to form lipids to form membranes and proliferate,” Gouw said of tumor cells.

Bacchus has been bootstrapped through funding from Stanford’s Spark program, which is tasked with advancing biomedical research at Stanford into clinical development. Gouw is writing an application for a Small Business Innovation Research (SBIR) grant.

The Golden Ticket, which Gouw characterized as “basically like going through Shark Tank,” will allow the SBIR to pay for experiments instead of paying rent. “Things are so expensive, especially in the Bay Area,” Gouw noted.

A success story

[Nitrome Biosciences Inc.](#) won a Golden Ticket sponsored by Abbvie in 2008. “We had almost no money,” Irene Griswold-Prenner,

Nitrome’s CEO and chief scientific officer, recalled. “Our lead investors had, in theory, signed on, but they hadn’t committed yet, so the validation from getting Abbvie’s Golden Ticket helped them to sign on the dotted line for our seed round.

“Nitrome wouldn’t have happened without MBC Biolabs,” Griswold-Prenner said of the high cost of starting a company without an incubator space. Nitrome went on to win three additional Golden Tickets from other sponsors of the program.

While in the incubator, the company was able to get help from its fellow startups. “There’s so many really cool interesting companies – and very diverse – that you can talk to and get ideas from, and just inspiration from such a positive energy. Everyone in there is optimistic; they believe in what their company is doing,” Griswold-Prenner said.

Abbvie and Nitrome kept in touch with confidential updates about once a quarter on Nitrome’s science, which involves developing targets to a newly identified class of enzymes to treat Parkinson’s disease and other age-related disorders, and received advice from Abbvie on what might help advance the preclinical development.

The connection resulted in Abbvie Ventures co-leading a \$38 million series A investment in Nitrome in April. “That’s what, I believe, helped them to invest,” Griswold-Prenner said of the quarterly updates. The connection to Abbvie also helped bring on the co-lead investor, Sofinnova Partners.

Nitrome is still at the incubator but is scheduled to move into its own lab space at the end of June.

The next Golden Ticket to MBC Biolabs is sponsored by Amgen, of Thousand Oaks, Calif. Submissions are due by June 24, 2020.