Centocor in mortal danger after halting Centoxin trials

Centocor (Malvern, PA) has suspended clinical trials of Centoxin, its flagship product for septic infections caused by gram-negative bacteria. The company stopped the trials because preliminary data showed that in a subgroup of patients later determined to be infected by gram-positive bacteria there was a higher death rate among those treated with Centoxin than among those who took a placebo.

Centocor also halted Centoxin sales in Europe. The move chokes off revenue that in last year's third quarter was running at an annual rate of $22 million and that was expected to reach about $35 million for 1993.

Many biotech analysts believe that the emergence of safety questions for Centoxin makes it unlikely that the product will ever be approved for marketing in the U.S. Because Centoxin was to have been Centocor's biggest product, these analysts believe Centocor itself could be in mortal danger. "This has got to be the last gasp for Centocor," says David Webber, a biotech analyst at Alex Brown (New York).

Centocor executives counter that the company—which has $150 million in the bank—will continue research on heart disease, cancer, and autoimmune diseases. Centocor will also continue development of its diagnostic tests, which have annual sales of about $50 million.

CYTOGEN

***Cytogen** (Princeton, NJ) has acquired worldwide rights to the cancer-based monoclonal-antibody research-and-development program of **Unipath** (Mountain View, CA), the **Unilever** medical-products company. Cytogen gains exclusive rights to five monoclonals that target breast, colorectal, and ovarian tumors, two of which have undergone clinical evaluation and have subsequently been humanized.*

Alliances

ImClone Systems (New York) and **Chugai Pharmaceutical** (Tokyo) have entered into a strategic alliance to develop blood-cell growth factors that target a receptor known as FLK-2. ImClone will receive up to $35 million from Chugai for research support and the completion of milestones, including product approval in Japan. In return, Chugai will have exclusive manufacturing and marketing rights in Japan and certain other Far East countries. The FLK-2 receptor is found on cells that are believed to be totipotent stem cells (TSCs), the ultimate precursors to the blood and immune system. Growth factors directed at FLK-2 may be able to reconstitute entire blood-cell populations that are frequently destroyed through chemotherapy and radiation therapy. ImClone and its collaborators at **Princeton University** (Princeton, NJ) have cloned, expressed, and purified the gene for the FLK-2 receptor.

Hybridon (Worcester, MA) has entered into a research and development (R&D) collaboration with **Hoffmann-La Roche** (Nutley, NJ) to develop antisense oligonucleotide compounds for the treatment of hepatitis B and C viruses and human papilloma virus. Roche will fund R&D conducted by Hybridon, commit personnel to the project, make milestone payments according to development benchmarks, and take an equity position in Hybridon. Roche will receive a royalty-bearing worldwide exclusive license to products resulting from the collaboration. Hybridon will manufacture resulting products.

SciClone Pharmaceuticals' (San Mateo, CA) wholly owned subsidiary, **SciClone Pharmaceuticals International**, has signed a long-term semi-exclusive licensing agreement with **Schering-Plough K.K.** (Osaka), the Japanese subsidiary of **Schering-Plough**, for the development and commercialization of thymosin alpha 1 in Japan. Probable indications for marketing uses will be for chronic active hepatitis B and C and, potentially, as an adjuvant therapy for AIDS. Thymosin alpha 1 has been shown in published U.S. clinical trials to be effective in halting the progression of chronic active hepatitis B disease and returning liver function to normal in 75 percent of patients.

—B.J. Spalding