Biotech slumps in Q1

Stacy Lawrence

Amid global economic uncertainty, biotech indices and financing slumped in the first quarter. Overall, financing was the lowest in 18 months, off by more than half from a Q207 peak, with reductions in every category, except debt. Public floatations dried up almost

Biotech stock market performance

Most indices are back to where they were a year ago after a double-digit ride up last fall; the Swiss Exchange has fared particularly badly.

Global biotech industry financing

Every financing category dropped dramatically last quarter, except for debt. This is the 3rd consecutive down-quarter and the lowest since Q306.

Partnership figures are for deals involving a US company. PIPEs, private investment in public equity. IPOs, initial public offerings. Source: BCIQ: BioCentury Online Intelligence, Burrill & Company.

Notable Q1 biotech deals

IPOs	Company	Amount raised (\$ millions)	Percent change in stock price since offer ^a	Date launched
	MolMed	85.4	-2%	29-Feb
	Bioheart	5.8	-5%	19-Feb
Venture capital	Company	Amount invested (\$ millions)	Round number	Date closed
	Affimed Therapeutics	40.7	2	20-Feb
	Alder Biopharmaceuticals	40.0	3	11-Jan
	Pieris	38.6	2	27-Mar
	Endotis Pharma	36.1	2	23-Jan
	Ocera Therapeutics	35.5	3	20-Feb
	PanGenetics	34.9	3	5-Mar
Mergers and acquisitions	Target	Acquirer	Value (\$ millions)	Date announced
	CollaGenex Pharmaceuticals	Galderma	420	26-Feb
	CoGenesys	Teva Pharmaceutical Industries	400	22-Jan
	Warburg Pincus	Lifecore Biomedical	329	15-Jan
	Encysive Pharmaceuticals	Pfizer	195	20-Feb
	AppTec	WuXi Pharmatech	151	4-Jan
Licensing/collaboration	Researcher	Investor	Value (\$ millions)	Deal description ^b
	Isis Pharmaceuticals	Genzyme	1,925	Develop mipomersen and follow-on compounds to treat high cholesterol and thyroid cancers
	Amgen	Takeda Pharmaceuticals	1,177	Received Japanese rights to 12 compounds and became the worldwide partner on motesanib
	Addex Pharmaceuticals	Merck	702	Develop and market ADX63365 to treat schizophrenia and other undisclosed indication
	Accelleron Pharma	Celgene	560	Develop and commercialize ACE-011 to treat cancer, including breast and ovarian cancers, and cancer-related bone loss
	Kyowa Hakko Kogyo	Amgen	520	Develop and commercialize KW-0761 for all noncancer indications outside of Asia
	Dyax	Sanofi-Aventis	500	Develop and commercialize DX-2240, a human monoclonal antibody targeting Tie1 in preclinical development to treat cancer
	Sepracor	Nycomed	430	Develop and commercialize ciclesonide to treat asthma and seasonal allergic rhinitis
	Amira Pharmaceuticals	GlaxoSmithKline	425	Develop, manufacture and commercialize 5-lipoxygenase-activating protein (FLAP) inhibitors for respiratory/cardiovascular disease

^aAs of April 4. ^bDeals listed include only those that comply with *Nature Biotechnology's* definition of a biotech company. Source: BCIQ: BioCentury Online Intelligence, Recombinant Capital

entirely, with only two offerings making it out last quarter. Venture capital fundraising, a delayed indicator of the state of biotech financing, performed somewhat better but was still down by about one-fifth.

Global biotech initial public offerings

The IPO window has all but slammed shut in the current volatile economy.

Global biotech venture capital investment

VC funding was the lowest since Q105, down about one-fifth from Q407 and almost half from Q107.

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Erratum: HIV vaccine controversy

K S Jayaraman

Nat. Biotechnol. 26, 256 (2008); published online 7 March 2008; corrected after print 11 July 2008

In the version of this article initially published, the author reported that “trial participants now test seropositive for HIV and are ‘unable to convince their employers that their HIV status was vaccine induced.’” In fact, none of the trial participants tested positive for HIV. The error has been corrected in the HTML and PDF versions of the article.

Erratum: Response to HIV vaccine trials in India

K S Jayaraman

Nat. Biotechnol. 26, 496 (2008); published online 8 May 2008; corrected after print 11 July 2008

In the version of this article initially published, the author stated in his response to a letter from Seth Berkley that the results of IAVT's AIDS vaccine trials in Belgium and Germany were “not given to trial subjects and fresh consent obtained.” This is incorrect. The European data were shared with trial subjects in India and they were reminded of their option to withdraw from the trial at any time. The error has been corrected in the HTML and PDF versions of the article.

Erratum: Can ‘double blockbuster’ strengthen Amgen’s backbone?

Cormac Sheridan

Nat. Biotechnol. 26, 361–363 (2008); published online 7 April 2008; corrected after print 7 August 2008

In the version of this article initially published, in Table 1, page 362, Protelos was wrongly cited as strontium malonate; in fact, Protelos is the current brand name of strontium ranelate. Unlike strontium malonate, strontium ranelate is approved by the European Medicines Evaluation Agency (EMA) for the treatment of post-menopausal osteoporosis and has been shown in published clinical trials to decrease the risk of vertebral, nonvertebral and hip fractures in post-menopausal osteoporosis. The error has been corrected in the HTML and PDF versions of the article.

Erratum: Biotech slumps in Q1

Stacy Lawrence

Nat. Biotechnol. 26, 486 (2008); published online 8 May 2008; corrected after print 7 August 2008

In the version of this article initially published, in the table titled “Notable Q1 biotech deals,” under Mergers and acquisitions, Warburg Pincus was incorrectly given as the Target and Lifecore Biomedical as the Acquirer. In fact, Warburg Pincus was the Acquirer and Lifecore Biomedical the Target. The error has been corrected in the HTML and PDF versions of the article.