

Bridging the German gap

By *Chris Cain, Senior Writer*

Evotec AG's purchase of **Bionamics GmbH** gives it access to a collection of autoimmune assets sourced from German universities. The move is the latest in a series of steps taken by Evotec to build a pipeline of new university-generated assets to complement its fee-for-service operations.

The move returns Bionamics CEO Timm Jessen to Evotec in the new position of EVP of business development in charge of EVT Innovate, the business segment that houses the biotech's translational projects and additional discovery partnerships.

The appointment comes 10 years after Jessen departed as CSO of Evotec and 8 years after he formed Bionamics to develop programs that originated from German academics.

"Bionamics was formed in 2006 to pursue the idea that universities don't have to build a company around every asset they want to advance—it can be much more efficient to mature innovations in collaboration with companies and CROs experienced in their respective field," Jessen said. "The original idea of our company was to mature projects via this method, and we ended up working with the German government for public support of such asset maturation."

Bionamics' first order of business was creating a public-private consortium called **NEU²** to develop therapies for neurodegenerative diseases, with a focus on multiple sclerosis (MS).

In 2008, **NEU²** was 1 of 3 consortia to receive an award from the Pharmaceutical Initiative for Germany program, which included a €100 million (\$137 million) funding competition for consortia intended to boost life science projects in the country. The initiative was launched in 2007 by Germany's **Federal Ministry of Education and Research** to encourage pharmaceutical R&D in Germany.

Thus far **NEU²** has received a commitment of €40 million (\$55 million) from the German government. This will fund the program through 2017, and Jessen will continue to coordinate it from Evotec.

Any IP is owned by the organization that generates it. Consortium

members collaborating on a project and contributing the most private funding receive first option to license the IP. If the option is waived, other consortium members then have the choice to license the IP.

NEU² has grown to 12 members, including academic institutions and German biopharma companies such as **Merck KGaA**, **Biotest AG** and **Evotec**.

Jessen said that Bionamics' role as coordinator of **NEU²** helped build a reputation with German and international institutions for helping to secure funding and collaborators for academic projects. These relationships helped Bionamics negotiate successful project participation as well as exclusive licenses for itself for about 10 projects in which the company saw potential to treat multiple autoimmune diseases in addition to MS.

"After about two to three years of doing this, where people were coming to us with interesting MS products, people realized we had an interesting structure where they could get experience in asset

management and funding as well as disease and market know-how, and more and more projects came in," said Jessen.

Evotec CEO Werner Lanthaler told *SciBX* that the portfolio of assets was a deal driver. "The biggest misunderstanding of this announcement was that we are acquiring what three people had done. You have to consider the networks and connections built around Bionamics," he said.

Bionamics had three employees at the time of its acquisition. Terms of the deal were not disclosed.

In the last three years, Evotec has adopted a strategy in line with Bionamics' founding mission—forming alliances with academic institutions to help develop new products. These include deals with **Harvard University**, **Yale University** and the **Dana-Farber Cancer Institute**.^{1,2}

Since 2011, Evotec has started 11 programs it considers part of EVT Innovate, which it defines as programs focused on first-in-class research investments that are eligible for returns through upfront payments, milestones and royalties.

Lanthaler and Jessen said that the drug discovery capabilities of Evotec will enable in-house advancement of assets that Bionamics might otherwise have had to contract out to third parties.

Jessen said that the programs exclusively licensed by Bionamics are largely undisclosed. He said that one preclinical program from the **University Medical Center Hamburg-Eppendorf** uses nanoparticles to selectively deliver autoantigen peptides to liver cells to enable antigen-specific T_{reg} induction and tolerance to various autoimmune diseases.

Cain, C. *SciBX* 7(13); doi:10.1038/scibx.2014.361
Published online April 3, 2014

"Bionamics was formed in 2006 to pursue the idea that universities don't have to build a company around every asset they want to advance—it can be much more efficient to mature innovations in collaboration with companies and CROs experienced in their respective field. The original idea of our company was to mature projects via this method, and we ended up working with the German government for public support of such asset maturation."

—Timm Jessen, Evotec AG

REFERENCES

1. Lou, K.-J. *SciBX* **6**(4); doi:10.1038/scibx.2013.80
2. Cukier-Meisner, E. *BioCentury* **21**(41), A7; Oct. 14, 2013

COMPANIES AND INSTITUTIONS MENTIONED

Bionamics GmbH, Kiel, Germany
Biotest AG (Xetra:BIO), Dreieich, Germany
Dana-Farber Cancer Institute, Boston, Mass.

Evotec AG (Xetra:EVT), Hamburg, Germany
Federal Ministry of Education and Research, Berlin, Germany
Harvard University, Cambridge, Mass.
Merck KGaA (Xetra:MRK), Darmstadt, Germany
NEU², Hamburg, Germany
University Medical Center Hamburg-Eppendorf,
Hamburg, Germany
Yale University, New Haven, Conn.