

Drug discovery firm Cerenis poised to lead HDL drug race

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Cerenis Therapeutics, a drug discovery firm with operations in Ann Arbor and France, boasts enough capital to operate smoothly through 2010, executives said.

The company is also positioned to lead the race among Michigan biotech firms toward commercializing a drug to raise patients' HDL cholesterol - which is considered "good" cholesterol. With several compounds under development, Cerenis is a few years ahead of its newly re-minted Ann Arbor contemporary, Esperion Therapeutics.

Cerenis' drug pipeline

Cerenis scientists in Ann Arbor and France are developing several HDL therapies, including:

- Peroxisome proliferators-activated receptor (PPAR) compounds aimed at raising HDL cholesterol.
- Cerenis HDL, a large molecule designed to stimulate the body's ability to process lipids.
- Several small molecule programs to raise endogenous levels of HDL to treat chronic atherosclerosis.

That Cerenis raised \$84 million in two separate capital fundraising rounds in the years before the venture capital markets seized up in late 2008 marks a stroke of good fortune and a strategic victory for the biotech firm.

Bill Brinkerhoff, Cerenis' chief operating officer, said the company is well positioned to advance its HDL cholesterol therapies over the course of the next two years.

"We were fortunate. We raised a lot of money when the windows were open, when the markets were more available," Brinkerhoff said.

Cerenis' position strengthened further as the company is expected to receive a \$3.27 million investment in funding from a French investment firm to expand its research initiatives.

The company also recently revealed that it has licensed intellectual property developed by Cerenis advisory board member Jean-Claude Tardif of the Montreal Heart Institute Research Centre in Canada.

Cerenis, founded in 2005, is now developing four HDL therapy compounds - including one that could be ready for the market in four years, said Jean-Louis Dasseux, CEO of Cerenis.

Raising patients' "good" HDL cholesterol, however, is among the greatest challenges in the clinic for biotech researchers. Pfizer, for example, experienced that firsthand in late 2006 when it was forced to cancel HDL drug candidate Torcetrapib after it showed fatal side effects in a clinical trial.

Dasseux said Cerenis has assembled a team of researchers in Ann Arbor and in Toulouse, France, office who understand the complexities of HDL therapies.

"We've been in the field for more than 25 years. We have learned from the past," Dasseux said in an interview via videoconference from his office in France. "We have been able to identify what the key issues in order to develop a series of compounds."

Dasseux and Brinkerhoff, founders of Cerenis, were among the leadership team at the first Esperion Therapeutics, which was acquired by Pfizer for \$1.3 billion in February 2004 and ultimately shut down by Pfizer in 2007. In 2008, Esperion was revived by entrepreneur and Esperion CEO Roger Newton.

Newton has since garnered much of the HDL spotlight by licensing IP from Pfizer in a high-profile deal to restart Esperion and research HDL therapies. Newton did not respond to requests for comment for this story.

Dasseux played down suggestions of a rivalry between the two companies, particularly because Cerenis is much further along in clinical development of its therapies. Cerenis has already completed a clinical trial for one of its compounds - and Esperion has still in preclinical work.

"We're probably the premier organization in the field," Dasseux said.

The firm has 26 employees split evenly between its France and Ann Arbor operations - including an office on Victors Way and research space at the Michigan Research Institute incubator on State Street. Researchers and executives in France and Ann Arbor regularly communicate via videoconferencing and online.

"We really operated as if the world is flat and as if we were on two floors of one building," Brinkerhoff said.

Cerenis' fundraising base is international with investors from Europe, Japan and the U.S. - including Ann Arbor-based VC firm EDF Ventures.

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