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In Vivo's Deals Of The Month, August 2016

by Nancy Dvorin

In Vivo's editors pick August's most significant deals, including a neuromodulation joint venture and big money for a newish IO drug developer. (Article free with registration.)

Top Alliance: GSK And Verily's Neuromodulation JV

[GlaxoSmithKline PLC](#) and [Verily Life Sciences](#) will invest up to £540 million (\$702 million) over the next seven years in [Galvani Bioelectronics](#), a new joint venture dedicated to breaching the next frontier in neuromodulation technologies. (Also see "[New GSK-Verily JV Aims For Smart, 'Grain Of Rice' Neuromod Tech](#)" - Medtech Insight, 2 Aug, 2016.) [\[See Deal\]](#) GSK, which will hold a 55% stake in the company, will contribute its drug development expertise, understanding of disease biology and know-how in getting clinical proof and evidence. Verily brings to the table its expertise in miniaturization technology, device development, as well as data analytics, machine learning and software development. Galvani's mission is to explore multiple areas within inflammatory, metabolic and endocrine disorders, including type 2 diabetes, where Verily already has existing product development collaborations with [DexCom Inc.](#) and Sanofi.

Top Financing: Immuno-Oncology [Not Quite A] Start-Up Tioma Raises \$86 Million

Ten-year old [Tioma Therapeutics Inc.](#), which is developing immunotherapies for solid and blood cancers, raised \$86 million in a Series A round co-led by RiverVest Venture Partners, Novo Ventures, Roche Venture Fund and SR One. [\[See Deal\]](#) Founded as Vasulox in 2006, Tioma has subsisted on multiple seed rounds up until the Series A came through. The company is among the many working on anti-CD47 antibodies, and will use the proceeds from the financing to bring its lead candidate – an anti-CD47 immune checkpoint inhibitor – through proof-of-concept trials. President and CEO John Donovan co-founded Alios BioPharma and was that firm's CBO and CFO before it was bought by J&J for \$1.75 billion in 2014.

Top M&A: Pfizer Wins Medivation Bidding War

[Pfizer Inc.](#) announced August 22 that it won the competitive bidding process for Medivation Inc., agreeing to pay \$81.50 per share, or roughly \$14 billion, well above the high-end forecasts of

some analysts (Also see "[Pfizer's \\$14bn Medivation Buyout Shows How Far Pharma Will Go In Oncology](#)" - Scrip, 22 Aug, 2016.) [[See Deal](#)], and substantially higher than the offer rival Sanofi most recently put on the table in July, \$58 per share plus a \$3 contingent value right linked to the pipeline. The high price Pfizer is willing to pay for the *Xtandi* (enzalutamide, for prostate cancer) developer highlights just how far big pharmas are willing to go to compete in oncology. The \$81.50 per- share offer is about 21% higher than Medivation's previous closing price, which has already been soaring on buyout speculation. Just six months ago, before Medivation was rumored to be a takeover target, its stock was trading at \$33. Time will tell whether Pfizer overpaid for Medivation and whether Xtandi and two pipeline assets in development will turn out to be worth the price paid.