

**• After Change Up Top, Syntonix Inks
Boehringer Ingelheim Deal Worth Up
To \$63M**



By Lisa Lacy

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After a management change over the summer, drug formulation and delivery company Syntonix Pharmaceuticals Inc. has kicked off autumn with a collaboration with Boehringer Ingelheim GmbH that could bring in as much as \$63 million.

According to Acting President John Ripple, the Syntonix board decided that it was "time for a change" in July and asked CEO Garen Bohlin to step down. Bohlin was the company's first employee when it was founded in 1999. He remains on the board but has been replaced by Ripple, the former vice president of corporate development who joined the company in 2002.

Ripple would not comment on why it was time for a change and said no search is being conducted at this point to find a permanent replacement. "I've been appointed acting president and am very focused on establishing these corporate partnerships as validation of the technology," he said.

Bohlin could not be reached for comment.

Syntonix and Boehringer Ingelheim will work together to optimize certain Boehringer Ingelheim therapeutic peptides for inhalation using Syntonix's flagship SynFusion and Transceptor technologies. Earlier this year, the company signed a deal with Serono SA to develop an inhaled interferon-beta for multiple sclerosis.

Ripple said the joint research deal with Boehringer Ingelheim should go on for up to two years. "This is the second corporate validation of both our SynFusion and Transceptor technology this year and we expect at least one more major partnership by year end," Ripple said.

Under the terms of the agreement, Syntonix will receive an upfront fee and research support. Boehringer Ingelheim has the option to develop and commercialize the peptide candidates. Syntonix will receive milestone and royalty payments on any products developed and commercialized under the agreement.

Ripple did not disclose specific terms but said no equity was involved.

Syntonix's SynFusion drugs link the Fc region of an antibody to a drug in a novel manner, providing longer-acting therapeutic proteins or peptides that are injected less frequently. Syntonix's Transceptor technology uses the FcRn transport pathway to enable the pulmonary delivery of SynFusion drugs with high systemic bioavailability. Transceptor allows patients to breathe normally using existing marketed inhaler devices.

Syntonix's technology focuses on linking therapeutic compounds to the Fc portion of an antibody. Such a linkage enables the systemic entry of a drug through the FcRn receptor, a mechanism that is believed to extend the half-life of a drug as

well as provide the potential for inhaled administration.

Syntonix is developing biopharmaceuticals targeting patients with chronic diseases such as hemophilia, anemia, multiple sclerosis and autoimmune disorders.

"We have used the technology on over ten therapeutic proteins and peptides to date," Ripple said. "The technology works with all of these drugs...but we are focused on an emerging hemophilia franchise."

While its hemophilia product is in the advanced stages of preclinical development, the company has not publicly disclosed its trial schedule. Ripple said one of the molecules in its hemophilia program may lead to at least one major partnership by the end of the year.

During the course of 2004, the company received around \$5 million of internal financing from an existing investor syndicate that includes The AFB Fund, Alta Partners, A. M. Pappas & Associates, BancBoston Ventures, Bay City Capital, Biomedicine LP, Merrill Lynch Ventures and Venrock Associates.

The financing brings Syntonix's total funding to around \$55 million. Its last major financing round, a Series B worth \$35.8 million, closed in March 2002.

Ripple said Syntonix plans to raise a Series C round next year.

Waltham, Mass.-based Syntonix has 30 employees and plans to do selective hiring next year.

<http://www.syntnx.com>