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Theravance, Alfa Wassermann collaborate

October 4, 2012 | News | By BioSpectrum Bureau

Theravance and Alfa Wassermann collaborate to develop velusetrag for gastrointestinal



Singapore:Ã?Â Theravance and Alfa Wassermann entered into an exclusive development and commercialization agreement in certain countries for velusetrag, Theravance's investigational 5-HT4 agonist in development for gastrointestinal motility disorders.

Under the agreement, the companies will collaborate in the execution of a two-part phase II program to test the efficacy, safety and tolerability of velusetrag in the treatment of patients with gastroparesis. If the results of the studies are sufficiently favorable, Alfa Wassermann will have the right to exercise an exclusive option for the development and commercialization of velusetrag in the EU, Russia, China, Mexico and certain other countries. Theravance retains full rights to velusetrag in the US, Canada, Japan and certain other countries.

Financial terms of the transaction include funding of the phase II program by Alfa Wassermann, a $10 million option fee payable to Theravance by Alfa Wassermann if it exercises its option following completion of the phase II program, and potential development, regulatory and sales milestone payments of up to $53.5 million. Theravance is entitled to receive royalties on net sales by Alfa Wassermann ranging from the low teens to 20 percent.

"Gastroparesis represents one of the most significant unmet medical needs in gastroenterology and we look forward to moving quickly with Alfa Wassermann to bring this potential medicine to patients who have limited alternatives today," said Mr Rick E Winningham, chairman and CEO, Theravance.

"We are pleased to enter this agreement with Theravance, with its strong record in partnering, as we strengthen our long term gastroenterology portfolio through development initiatives in innovative indications and further build our affiliate platform for the EU and emerging markets, where we are increasing our direct presence," said Mr Stefano Golinelli, CEO, Alfa Wassermann.