



# Biotech Daily

Wednesday July 2, 2008

*Daily news on ASX-listed biotechnology companies*

- \* **ASX, BIOTECHS DOWN: BENITEC UP 10%, NEUREN DOWN 9%**
- \* **PROGEN SPINS OUT PHARMASYNTH DRUG MANUFACTURING**
- \* **TGA APPROVES SAFETY MEDICAL'S PEN CAP**
- \* **FMR, FIDELITY DROPS 4% OF COCHLEAR IN JUNE**
- \* **NORTHCAPE INCREASES TO 8% OF PROGEN**
- \* **BIO-MELBOURNE: BIOTECH PATENT MANAGEMENT**

## MARKET REPORT

The Australian stock market fell 0.9 percent on Wednesday July 2, 2008 with the All Ordinaries down 49.5 points to 5,211.6 points.

Nine of the Biotech Daily Top 40 stocks were up, 17 fell, five traded unchanged and nine were untraded.

Benitec was best, up 0.8 cents or 10.39 percent to 8.5 cents on modest volumes, followed by Cytopia up two cents or 9.76 percent to 22.5 cents and Polartechnics up 7.41 percent to 14.5 cents.

Impedimed climbed 6.12 percent; Antisense was up 5.48 percent; Arana and CSL rose more than two percent; with Biota, Cochlear, Genetic Technologies and Resmed up more than one percent.

Neuren led the falls, down one cent or 8.7 percent to 10.5 cents.

AcruX, Phosphagenics and Phylogica fell more than four percent; Living Cell and Universal Biosensors were down more than three percent; Bionomics, Chemgenex, Clinuvel, Pharmaxis, Progen and Ventracor shed more than two percent; with Alchemia, Avexa, Mesoblast and Peplin down more than one percent.

## PROGEN, PHARMASYNTH

Progen has spun-out its manufacturing business as the wholly owned subsidiary company, Pharmasynth Pty Ltd.

Pharmasynth will focus on the provision of contract pharmaceutical development services by leveraging the skills developed through PI-88 development and manufacture of material for phase I to phase III clinical trials.

Progen said that more than 10 years of contract manufacturing experience provided “a sound basis for the manufacture of both biopharmaceuticals and small molecule drugs”.

Former Progen director of manufacturing operations Leslie Tillack has been appointed Pharmasynth’s chief executive officer.

Progen said Pharmasynth would be responsible for the completion of the process validation and technology transfer of PI-88 manufacture, expected to occur within the next 12 to 18 months. Pharmasynth will expand its process development and manufacturing services to the biotechnology industry.

The company’s manufacturing facility is licenced by both the Australian Therapeutic Goods Administration and the Australian Pesticides and Veterinary Medicines Authority for current good manufacturing practices.

Progen chief executive officer Justus Homburg said the spin-out of the manufacturing operations was consistent with his company’s core drug development focus.

“The manufacturing operations have served us very well to date but with the decision having been made to outsource the commercial supply of PI-88, the time is right to let the manufacturing business develop and grow in its own right,” Mr Homberg said.

Mr Tillack said Pharmasynth would provide a viable alternative to overseas manufacture of early phase pharmaceuticals and veterinary drugs.

For more information go to [www.pharmasynth.com.au](http://www.pharmasynth.com.au).

Progen was down three cents or 2.36 percent to \$1.24.

## SAFETY MEDICAL PRODUCTS

Safety Medical Products has received Therapeutic Goods Administration certification for its Pen Needle Aid device.

Safety Medical said the needle-cap holder device made the task of attaching, recapping, removing and disposing of all brands of insulin pen needles safer and easier (see Biotech Daily; June 23, 2008).

Safety Medical said it was allowed to promote the Pen Needle Aid in Australia and New Zealand along with its insulin pen needles that became available from yesterday through the National Diabetes Services Scheme.

Safety Medical climbed 0.2 cents or 2.27 percent to nine cents.

## COCHLEAR

The US based FMR Corp and Fidelity Investments have again reduced their substantial shareholder in Cochlear from 4,238,512 shares (7.62%) to 3,679,963 shares (6.62%) on June 30, 2008.

FMR Corp and Fidelity reduced their holding in Cochlear by one percent on June 4, June 13 and June 25, 2008.

FMR and Fidelity had been increasing its holding in both Cochlear and CSL.

This is the fourth reduction in Cochlear since Biotech Daily began monitoring the holdings.

FMR and Fidelity have not changed their CSL holdings.

Cochlear climbed 50 cents or 1.15 percent to \$44.00.

## PROGEN

Northcape Capital has increased its substantial shareholding in Progen from 4,182,689 shares (7.04%) to 4,862,284 shares (8.05%).

## BIO-MELBOURNE NETWORK

The Bio-Melbourne Network's July 18 workshop examines intellectual property and due diligence.

The Network says companies need to consider the due diligence investigation of their intellectual property, prior to signing a deal or raising capital for the next phase of development.

"Have you carried out the necessary checks to be confident of your IP portfolio? What do you need to do to ensure that your investor gives you a 'tick'?" the Network asks.

Griffith Hack patent and trademark attorney principals, Amanda Stark and Debbie Beadle, will discuss how your intellectual property will be examined in a due diligence investigation and ways in which you can strengthen your portfolio.

The Bio-Melbourne Network said they will consider the patent portfolio to protect your invention, claims to cover your lead compound or use, adequate fall back positions in case your broad claims are knocked out, filing in appropriate jurisdictions, adequate patent life, correct naming of all inventors, appropriate assignments from all inventors, joint inventors management, prior art that may invalidate your patent, freedom to operate and if there is a problem with your portfolio, what can you do about it?

Ms Stark and Ms Beadle have extensive experience as patent attorneys in Australia, the UK and Europe.

They have both been involved in due diligence many times, so they are alert to the problems which can arise, have experience in providing practical solutions and devising suitable patent strategies to ensure that the process runs as smoothly as possible.

Solubility director Lisa Keam will present on patent due diligence from an investor perspective.

Ms Keam will examine key due diligence issues from both a pharmaceutical company and venture capital investment perspective and how to prepare for an investor due diligence.

Ms Keam has more than 15 years experience in intellectual property management and technology commercialization and was previously investment director at Starfish Ventures, a Melbourne based venture capital firm.

Registration will commence from 8:45am at Griffith Hack, Level 3, 509 St Kilda Road, Melbourne. The workshop will conclude at 12:30pm, followed by a light lunch.

The price for members of the Bio-Melbourne Network is \$350 per person and \$800 for non-members. For more information visit: [www.biomelbourne.org](http://www.biomelbourne.org) or contact Nicole Pitcher on +613 9650 8800 or email: [npitcher@biomelbourne.org](mailto:npitcher@biomelbourne.org).