



Fannin hosted 7th Graders from St. John's on their Interim Sessions, where the students showed us game prototypes made from laser cutting and 3D printing. Fannin put the games through a "Shark Tank" review.

STUDIO TOUR
AVAILABLE

Come by and see
the Fannin team
in action!

Fannin, Pulmotect use JPM16 to build industry ties, dialog

A LIFE SCIENCE INDUSTRY OPTIMISTIC about transformative cancer drug treatments and a supportive regulatory climate -- yet feeling less financial wind in the sails -- gathered in San Francisco this month for the annual JP Morgan Conference and related biotech showcase. Fannin's Atul Varadhachary and Pulmotect's Brenton Scott were there and reported progress on several fronts.

"Last year, I attended to introduce Fannin and the opportunities we see in Houston to a broad audience, mainly of strategics. This year, my goal was to show validation and consistency," said Atul. "With the number of companies we've



started, the relationships we have and the attention we're starting to get, I'm finding that strategics are now willing to consider a broader relationship with Fannin. I think I'll now get some pharma people working to sell a Fannin relationship internally."

"It's really a question of credibility -- for a strategic's business development person to have interest in you for your portfolio or your *potential* portfolio is something special.

They'll always look at some asset you have if it's good, but I'm looking for a broader buy-in so we can gain other forms of support for the business model," he said.

Brenton met with a mix of strategics and service providers, and is following up with at least two strategics who have an interest in some of the company's potential market applications. "I've been doing this for a couple of years now, and we've been able to report on our progress with now two Phase I sets of data and some promising indications," he said.

Industry-wide, conversations focused on technological progress, the politics and realities of drug pricing, and trends in capital access, though the 30% fall in the NASDAQ Biotech index from July to the present didn't seem to dominate conversation as much as one might expect. "It was pretty upbeat," said Atul, "all things considered."

UPCOMING INDUSTRY EVENTS OF NOTE

Association of University Technology Managers (AUTM) annual convention
February 14-17, 2016, San Diego

Who goes? >> Tech transfer professionals, IP lawyers, industry. Atul is attending for Fannin.

What do you learn? >> Latest trends in technology licensing terms and deals.

Redefining Early Stage Investments (RESI)
April 11, 2016, Houston

Who goes? >> Industry, Healthcare Providers, Administrators

What do you learn? >> Now in its 2nd year here, RESI-Houston is co-sponsored by Life Science Nation and J&J. Deal structuring and early-stage investing trends are topics.

Rice Alliance/BioHouston Life Science Venture Forum

May 26, 2016, Houston

Who goes? >> Local start-ups, TMC executives, some VCs and local investors

What do you learn? >> An update on research in Houston institutions, trends in financing/dealmaking and presentations by companies seeking funding.

FEATURED FANNIN TEAM MEMBER

BRENTON SCOTT, MBA, PHD

BRENTON SCOTT CO-FOUNDED PULMOTECT in 2007, with the company address originally being his home. He now serves as the president, and has helped the company raise over \$19 million in funding, with \$17 million coming from peer-reviewed grant sources. He has served as the principal investigator on six Small Business Innovation Research (SBIR) grants from the National Institutes of Health (NIH), the Texas Emerging Technology Fund (TETF) award, and also the Cancer Prevention Research Institute of Texas (CPRIT) award. Brenton serves regularly in study sections as a reviewer to evaluate SBIR grant proposals and has received multiple awards for company presentations. His

academic experience at Rice University and MD Anderson Cancer Center focused on vesicular traffic, airway inflammation, and infection. Prior

to his Odyssey Fellowship post-doctoral position at MD Anderson Cancer Center, he received his PhD in Biochemistry and Cell Biology from Rice University and his MBA from the University of Houston, both in 2005. Brenton is originally from Utah, served a two-year full time mission in New Jersey for his church, is married, and a father of five children from 3-15 years old. In between clinical trials and writing grants with Pulmotect, he is active in his family, church, and community.



ON HIS FIRST TOUR of Texas CPRIT-backed companies, new Chief Product Development Officer Mike Lang stopped by the studio on Jan 28 to see the operation, meet Fannin leadership, and hear an update from CPRIT-awardee Pulmotect. Lang expressed support for Fannin's efforts to build the Texas life science ecosystem, and ways to collaborate were discussed. Lang was previously the founder/CEO of Pennsylvania-based NanoVision Diagnostics, a cancer test company, and headed BusDev at wound healing company Gliatech of Cleveland, OH. He's a biomedical engineering grad from Northern Arizona, with an MBA from ASU.

SINCE THE SWOON in public biotechs began last July, it's been choppy in the equity markets, with IPOs slowing to a trickle. Local CAR-T player Bellicum Pharmaceuticals, which trades at \$12 (below its \$19 IPO) picked up a positive this month from Motley Fool, where analyst George Budwell said "unheralded BLCM will prove to be the best performing stock among modified T-cell developers in 2016" based on progress with its BPX-501 drug. Another Houston company, PLX Pharma, just launched its IPO roadshow via Raymond James, trying to price an offering of 3.8 million shares at \$17-19, which would imply a pre-money of about \$100 million.

J&J AND THE TMC have set Wed March 2 for the public opening of the 30,000sf J-LABS@TMC wet lab space. The redeveloped section of TMC's former Nabisco cookie plant will house biotech start-ups and others, and be located adjacent to the TMCx and TMCx+ operations. J&J will provide advice, support and industry connections. TMCx also just announced its second class of accelerator members, with 13 Health-IT-focused members of the group.

MDANDERSON KEEPS the deals flowing, this month inking a deal with the UK's Kymab Ltd. to jointly discover and develop drugs using Kymab's Kymouse™ human antibody discovery platform. Kymab, sporting a recent \$90 million Series B funding, will partner with MDA's ORBIT unit to look for cancer immunotherapy targets.

FANNIN PORTFOLIO UPDATES

- **PROCYRION** - The company continues progress towards a first-in-man study, now likely in the summer. Management recently met with the FDA, as well as with its strategic partner over collaborative assistance for the design and human trial. Next week, another animal study will commence to evaluate the final design of the pump and delivery system. In addition, we congratulate Chris Durst, Principal of Fannin, who leaves this month to join Procyron on a full-time basis as Senior Director of Product Development.
- **GUIDABOT** - Work is underway on exploring neurosurgical applications of the GuidaBot system, while partner UH refines the core technology. The company applied for two additional commercialization grants.
- **AVID** - The sublicense of the cancer delivery technology from Acelerox is nearing completion, and Avid progressed with several experiments laying the groundwork for future proof-of-concept efficacy studies. Four grants have been submitted to support analytical and preclinical work, and an intern is now working on competitor analysis.
- **BREVITEST** - The company's \$250,000 grant to explore the THC measurement application appears on track for funding this spring. The company continues with design enhancements to the analyzer, focusing on improvements to the control system for the magnetic beads within the cartridge.
- **EXOTECT** - Screening programs have been completed to identify potential compounds which may reduce stimulated mucus secretion, by inhibiting certain other actions, and the company plans to submit its first STTR grant. With hit-to-lead compounds identified, the company has initiated animal studies.