



One day following the excellent news from [ABGENIX \(ABGX\)](#) and [AMGEN \(AMGN\)](#) about their drug **Panitumumab for Metastatic Colorectal cancer** and two days after the approval [OSI \(OSIP\)](#) and [GENENTECH \(DNA\)](#) analysts, observers, scientists and physicians are still talking about them. Why? Because they are breakthroughs that are expected to change the prognosis of two extremely dangerous cancers, colon cancer and pancreatic cancer. Moreover, based on the pathways and target they tackle, these products are also expected to be used on many other cancers when used alone or in combination with chemotherapeutic drugs or biological drugs. They are also expected to be more effective when used on early stage cancers.

What's fascinating is that in both news, **Genentech** was seen as a common denominator as its breakthrough blockbuster drug, Avastin, has been also tried with Amgen's – Abgenix' monoclonal antibody drug, **Panitumumab**. **As a matter of fact**, Genentech has been a partner on another blockbuster drug, **Rituxin that was co-developed with Idec, which became Biogen Idec (BIIB)**

Amgen's and Abgenix' shares surged following the news on Thursday. The news announced that phase 3 results of Panitumumab have demonstrated survival extension and tumor regression in patients suffering from **metastatic** colorectal cancer. Those patients had failed standard chemotherapy. Forty six percent (46%) of 463 patients in the trials have experienced a decrease in the tumor progression rate among people receiving panitumumab compared with those who got supportive care alone.

A casualty of these results was Imclone's stock, which lost over \$7.5, following the news, despite the fact that no comparison was made between Panitumumab and Imclone's drug Erbitux in the trials and that many other factors could be involved in shaping the trials' results. Nevertheless, investors could not prevent themselves from comparing the results of both drugs and remembering that Erbitux had no impact on life-extension, but only on tumor regression.

Amgen's – Abgenix' results on the decrease of cancer progression exceeded the developers' expectations, hence surpassed the trial's primary endpoint. All other endpoints were met.

Complete data on panitumumab trial is expected in the second quarter of 2006. Yet, the drug has a fast track status, it is badly needed and confirmation of the current news is expected to get a nearer approval of the life-saving drug.

Biotechnology is really bringing good things to life. Amgen and Genentech are confirming their position as the top biotech industry. Both firms exceeded our ambitious expectations.

HELPING OTHER TREATMENTS DO THE JOB

Hemispherx Biopharma's (HEB) study, which found that the firm's drug, Ampligen, helps boost the effectiveness of GlaxoSmithKline's anti-viral drug Relenza, in fighting avian flu is interesting. As a matter of fact, the news seems to have been extremely interesting to investors whose buying campaigns boosted the stock more than 70% in yesterday's trading.

Hemispherx announced that an independent study at Utah State University found that its drug, Ampligen, which was originally designed to treat chronic fatigue syndrome, was found to boost the effectiveness of Relenza. The firm expects that this boost of efficacy could "permit the use of lower dosages and fewer injections of anti-viral treatments and vaccines used to combat avian flu. It would have an impact on decreasing the cost of both immunization programs and treatment programs for the full-blown disease. GlaxoSmithKline's shares rose 34 cents, to \$52.30. Investors' enthusiasm might have been affected by the timing of the announcement, i.e., after President Bush proposed spending \$7.1 billion to prevent influenza



Pandemic.

Let's see what further studies will tell us about these results,

PROOF OF CONCEPT

The proof of concept is for [STEM CELL RESEARCH \(STEM\)](#) proprietary **Internal Ribosome Entry Site ("IRES")**, which is commonly used to enhance the accuracy of gene expression in genetically altered mice and cultured stem cells. The proof of concept can be indirectly concluded from the fact that [Lexicon Genetics \(LEXG\)](#), which had a non-exclusive right to use this technology has asked for an extended **exclusive** right to use the technology and sublicense it to other companies. It did get what it wanted

Stem Cell Research will get an upfront payment **and share with SCS future revenues generated by sublicenses to the IRES technology**. In addition, Lexicon has granted SCS certain non-exclusive rights under patents controlled by Lexicon covering its proprietary gene targeting technology for use in stem cell and progenitor cell lines.

It is good news for both firms. It shows how scientific and serious they are in conducting their sophisticated programs. It also shows how important is the technical fair cooperation between the small biotech firms in reaching their ambitious goals.

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