



Press Release – September 30, 2008

Max Planck Innovation's Drug Discovery and Development Center Wins BioPharma Strategy Competition

Project will receive €20 million in funding from the BMBF

Max Planck Innovation GmbH, the technology transfer agency of the Max Planck Society (MPG), announces today that its concept for a novel Drug Discovery and Development Center (DDC) will receive €20 million in funding from the German Ministry of Education and Research (BMBF) through its initiative "BioPharma – The strategy competition for medicine of the future". The DDC was selected as one of three winners that were presented today in Berlin by Frieder Meyer-Krahmer, State Secretary at the Ministry of Education and Research.

The DDC was jointly developed by Max Planck Innovation and Inventive Capital, a London-based financial services firm, as a novel approach to advance findings from excellent basic research into the development of novel medicines. It comprises two independent legal entities: the Lead Discovery Center (LDC) and a Development Company (DevCo).

The LDC, which has already started operations, will take on innovative research projects that have outstanding medical and commercial prospects but are not yet mature enough to attract professional co-development partners from industry. The LDC team will advance these projects throughout the drug discovery process up to pharmaceutical leads with proof-of-concept in animal models. By the end of this year, the LDC will be working on six projects, spanning a broad range of indications including cancer and diabetes.

The DevCo, which is expected to start operations in the course of 2009, can take leads from the LDC into subsequent drug development stages and initiate clinical studies in humans. Both companies – the LDC and the DevCo – will be staffed with industry-experienced scientists, project managers and drug developers to ensure that drug discovery and development is fully in line with international pharma standards. Thus, the DDC is set to deliver highly innovative and commercially attractive drug candidates that meet the strong demand of industry, physicians and patients for novel medicines.

"The DDC represents an entirely novel approach to technology transfer in Germany", Jörn Erselius, CEO of Max Planck Innovation comments. "It is unique that a public research organization supports the set up of fully integrated drug discovery and development units and invests substantially into the discovery stage of high potential projects. The fact that the DDC was selected as a winner from a group of highly competitive project proposals validates our approach and highlights the excellence of the concept."

"Moreover, with the BMBF funding, we will be able to build a pipeline of drug discovery and development projects that is sufficiently broad and diversified to ensure the DDC's sustained success." says Matthias Stein-Gerlach, DDC Project Leader at Max Planck Innovation. "Initial LDC projects are sourced from Max Planck Institutes. But in a second step, we are open to take on projects from various sources: universities, research organizations or industry. We are confident, that the DDC will soon become a new role model for highly efficient and professional cooperation between public research institutes and the pharmaceutical industry."

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The “BioPharma strategy competition for medicine of the future” is part of the BMBF’s “Pharmaceuticals Initiative for Germany” which aims to close the gaps in the value-added chain of drug development and strengthen R&D work on new medicines in Germany. The competition received a total of 37 applications, 10 of which reached the final round. Three of those were announced today as winners.

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Notes to editors

About Max Planck Innovation

Max Planck Innovation advises and supports scientists of the Max Planck Society in evaluating inventions and filing patent applications. Max Planck Innovation markets patents and technologies to industry and coaches founders of new companies based on research results from Max Planck Institutes.

Every year, Max Planck Innovation evaluates about 150 inventions, of which about half lead to the filing of a patent application. Since 2000, Max Planck Innovation advised more than 35 spin-offs, closed more than 700 license deals and generated proceeds of more than 130 million Euros for inventors, institutes and the Max Planck Society. As a result, Max Planck Innovation is among the world's most successful technology transfer organizations. In June 2008, it was honoured for outstanding achievement in developing technology transfer and licensing with the IPTEC International Technology Transfer Award.

Max Planck Innovation was founded in 1970 as Garching Instrumente GmbH and operated under the name of Garching Innovation from 1993 to 2006.

Further information at: www.max-planck-innovation.de

About the Lead Discovery Center (LDC)

The Lead Discovery Center GmbH (LDC) was jointly developed by Max Planck Innovation and the Max Planck Society as a novel approach to advance findings from excellent basic research into the development of novel medicines. With a world-class team of drug discovery experts and seasoned managers, the LDC offers the full scope of drug discovery services – from target to lead – according to the highest industry standards. As an independent enterprise with an entrepreneurial outlook, it collaborates with research institutions, universities and industry to transform promising and early-stage projects into attractive in-licensing or co-development opportunities: pharmaceutical leads with initial proof-of-concept in animals that meet the increasing need for novel therapeutic agents.

Further information at: www.lead-discovery.de

About Inventive Capital

Inventive Capital Advisors LLP is an international financial services firm, which specializes in structuring and financing new venture capital funds. Inventive Capital develops innovative investment strategies, which capitalize on the proprietary deal flow and expertise found inside large corporations and research organizations.

Inventive Capital was founded in 2005, is based in London, UK and Basel, Switzerland and develops alternative investment solutions in the life-science, ICT and energy sectors.



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