

venture market summary

BY VENTUREWIRE STAFF REPORTERS

March 3, 2006 While drugs such as Genentech's Avastin and Novartis' Gleevec continue to delight patients, physicians, drug developers and investors in oncology, personalized treatment has lagged in the cardiovascular space and other disease areas. ARCA Discovery intends to bring the cardiovascular space up to speed.

The Denver-based drugmaker has won \$15 million Series A led by Atlas Venture to seek market approval for personalized medicine that treats congestive heart failure. ARCA and its investors believe the drug - a beta-blocker known as bucindolol that was languishing after decades of development efforts - will serve as an effective treatment for CHF in a subset of patients.

Atlas put \$9 million into the round, with fellow first-time investor Pequot Capital Management and existing shareholder Boulder Ventures also participating. Publicly traded Myogen Inc., from which ARCA spun off, also maintains a stake alongside ARCA's founders.

"Frankly, we couldn't handle anything else," Michael Bristow, founder of both Myogen and ARCA and chief executive of the latter, said of the reason Myogen didn't take this opportunity on. Boulder previously provided around \$1.3 million of seed money beginning in October 2004.

Also, with the success of the personalized oncology blockbusters, the agency is much more accepting of such drugs. "The FDA's commitment to pharmacogenetics and the advancement of this modality in terms of standard of care, we think is the right way forward for medicine," said Bruce Booth, an Atlas principal close to the deal.