Interview: Andrea van Elsas â?? CSO & Hans van Eenennaam â?? COO, Aduro Biotech Europe (formerly BioNovion), The Netherlands

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The CSO and COO of BioNovion talk about the companyâ??s recent acquisition by US-based biotech Aduro. BioNovion is a Dutch biopharma specialized in immune oncology antibody discovery. Immunotherapy has become a clinical reality as an effective approach to treat advanced cancer and BioNovion plans to keep leveraging the fruitful collaboration with top-notch research centers and academic institutions for future drug development.

What made BioNovion (now Aduro Biotech Europe) attractive to Aduro? And what made Aduro the right fit from your end?

Andrea van Elsas (AE): First and foremost, we are very well known in the field of cancer immune therapy, as we know what we are doing â?? thatâ??s in itself attractive. Also, our product developments are potentially synergistic with the type of product candidates Aduro has. When we started discussions with the company, we realized there was not going to be much overlap in expertise and that our projects, as well as our expert networks, were quite complementary. A further aspect we liked about Aduro is the company culture: they are small like us, they have gone through times working on a shoestring budget, before growing to their current size and cash position and are still very true to the model of working close to academia and thinking out of the box. Also, they already have a number of ongoing clinical trials. While we are not yet at that stage we have started to build it up internally, so we thought becoming a part of Aduro could accelerate the process. And we liked the people very much!

Hans van Eenennaam (HE): I think they appreciated our working model combining technology with academic network and translating this efficiently into product development. Within a year of starting

our company, we were able to significantly grow our pipeline, so they saw it was really effective.

BioNovion was founded less than four years ago and has already been acquired by US-based biotech Aduro. What was your vision behind creating the company?

HE: The vision behind the creation of BioNovion was based on our previous work experience. Back in 2004-06 Andrea, Wiebe Olijve â?? who is the third co-founder and former CEO of the company â?? and I were all working at the Massachusetts-based research center of the Dutch drug manufacturer Organon, where we started the antibody discovery unit. Working in a small group â?? we were less than 25 people at the time â?? allowed us to be extremely efficient and productive. However, being part of a larger organization, we could not always be as fast and responsive as we wanted to. When Schering Plough acquired Organon, we got into the additional challenges of being part of a large multinational company. When the opportunity arose â?? we were already all back in the Netherlands by that time â?? we took some of the projects we had worked on and decided to start the venture. The process was accelerated when we heard that Merck was going to shut down the research operations here in Oss: we just felt it was the right time and place to start our own company in Oss.

AE: It had never been our intention to become entrepreneurs, but we saw the opportunity and we relied on the expertise and technology to get new immune-modulating antibodies into clinical development very fast. We wanted to translate academic developments into clinical use as efficiently as possible and in a pharmaceutically viable manner, as we know the quality the industry requires. Hence, we started building up the academic network we relied upon.

You rely on a number of partnerships with institutions such as the Academic Medical Center (AMC), the Netherlands Cancer Institute (NKI), and the University Medical Center of Groningen (UMCG). How important are these partnerships to Aduro Biotech Europeâ??sâ??s continued growth?

HE: In 2005, because the Dutch government wanted to improve the Netherlandsâ?? life sciences landscape by bringing together industry and academic expertise, they decided to start TI Pharma, a program supporting drug development consortia. TI Pharma fit our business model very well: it provided us with the access to their open innovation platform and assays system to identify compounds and validate antibodies, while being an additional multiplier to attract investment, which at the end amounted to EUR 1.7 million. Those were the two key elements that helped us move forward and create a success story in such a short period of time. We support these kind of public-private partnership initiatives as it has been a very fruitful program. hese types of partnerships and collaborative efforts have very much contributed to the advancement of our programs in Oss as well as Aduro Biotech in Berkeley, CA and we believe they will continue to be important and fruitful in the future.

The Netherlands is renowned as a great innovator with a lot of excellent publications but translating this knowledge into successful business models and marketable products is a challenge. How do you think the country stands today and what can be improved?

HE: TI Pharma was precisely addressing the missing link, as it brought together the pharmaceutical industry with the academia and biotech world. Also, it granted a substantial funding that allowed doing something significant. We know about the existence of other programs to support innovation, such as the WBSO and Innovation Box, which provide incentives to (foreign) companies investing in R&D in the country; however, the model fostered by TI Pharma was exactly what you needed to translate research into innovation.

AE: Being innovative and turning an idea into a tangible clinical product are two skills that do not always come together â?? and TI Pharma was the platform which allowed these skills to work together. Actually thatâ??s what happened to us: we were academic researchers, who joined big pharma and eventually became entrepreneurs.

How attractive and competitive are Dutch life science start-ups as partners or targets for acquisition in the global arena?

AE: It depends on what you are looking at: Dutch medical and clinical research is well respected worldwide, as we rely on top-notch research institutes. As for the biotech climate, it may not be as active as in the UK and in the US, but itâ??s good: Dutch biotech start-ups are very professional and goal-oriented, which makes them attractive. If they survive the first three years threshold, they are very likely to get into partnerships. On the other hand, compared to the UK and the US, investors in the Netherlands â??both public and venture capital (VC) â?? are much more risk-adverse.

HE: If you look at the partnerships and deals that have been signed over the past few years, itâ??s pretty impressive. That already speaks for itself.

Can you please explain what makes Aduro Biotech Europe unique among the large batch of Dutch oncology-related start-ups?

AE: We never said we were going to do something with antibodies. We started working with our own expertise: we have both been doing academic and research work, in oncology and in immunology, and have specific expertise in cancer immunotherapy. We are simply doing what we think we understand well and translate it into something which is clinically testable.

According to the most recent news available in the press, Aduro Biotech Europe will be keeping its headquarters in the Netherlands. What benefits do you envision from your continued presence in the country?

HE: The assets that attracted Aduro Biotech, Inc. are our work and our technology, which also means our people. If we would decide to move to the US, we would probably lose part of our team as well as the strong network we have in the Netherlands with institutions such as the AMC, the NKI, and the UMCG.

Why did you decide to establish your headquarters at the Pivot Park in Oss?

AE: Because of our business model, we have considered being closer to or at an academic research campus. However, we decided to be at the Pivot Park for a number of reasons. First, we were able to be up and running very fast, as the park provided us with ready-to-use facilities, supplies and a placeholder for permits. Second, our investors are from the area and one of their goals was to preserve the life sciences activities within the region. Also, at the site of the Pivot Park drug development has been going on for more than 80 years: there are many people â??either working or living in the surroundingsâ??that rely on an extensive drug development expertise.

HE: We believe Pivot Park can grow up to become a significant biotech hub in the future, as a number of very interesting companies are currently based here. We hope the park can attract more companies, so we can come up with new ideas when meeting at the coffee machine!

You both successfully made the leap from academia to pharma and started your own company, making it attractive on an international scale. What piece of advice would you give to Dutch life science entrepreneurs like yourselves?

AE: Itâ??s a combination of experience, expertise, and realizing early on what you are really good at â?? and what you are not good at. We sought a lot of advice at the beginning, as we worked in a pharma environment, but were still scientists. Fortunately we recognized early enough what was our niche in the ecosystem: we realized that there was a need for small biotech companies that translate academic research into clinical studies. Big pharma is good at conducting clinical research, but is not as good at picking up novel ideas and translating them into clinical development. You have to recognize your niche and what you are good at and focus on it. Molding the idea into a business proposition is what we learned along the way.

HE: You also have to be flexible. We started with big plans, which required large investments, but along the way translated them into a smaller idea. We took feedback from investors and came back with a more financeable and manageable counterproposal. Thatâ??s the lesson we took. And, eventually, what we have now with our 24-people staff is actually what we had in mind from the beginning. What we underestimated is how investors look at an idea. In fact, their appreciation of the team and its track record are as important. Hence, the importance of having a tangible and visible reputation should not be underestimated.

What would you say is the achievement which you are most proud of?

AE: I think that still has to happen. We want some of our molecules to move into clinical development and to make a difference in patients.

HE: The acquisition by Aduro is just a transit: we have a goal and we are only going to pursue it under a different roof. Itâ??s not changing anything but for the fact that we now have access to clinical and pre-clinical expertise, which we think is an accelerator for what we wanted to do.

Where would you like to see Aduro Biotech Europe in five years from now?

HE: We hope to have a couple of proof of concepts ongoing. Adding antibodies to support the efficacy of the other platforms Aduro is currently working on would be awesome.

AE: We want to continue working with the research partners we are currently collaborating with and be conducting clinical studies that show our drug developments make a difference. Life always gives you surprises: twenty years ago I worked as a researcher on the combination of immune-modulating antibodies and vaccines in Berkeley, and today we are working with a company in Berkeley that works on vaccines.

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