Vincent Forster â?? CEO, Versantis

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Dr Vincent Forster of Versantis, a Swiss biotech aiming to develop a new generation of liver disease therapeutics and diagnostics, introduces the companyâ??s foundation story, proprietary technology, and future development goals.

Vincent, what inspired you to establish Versantis in 2015?

To start at the very beginning, I am Swiss and I did my bachelorâ??s and masterâ??s degrees at Ã?cole polytechnique fÃ©dÃ©rale de Lausanne (EPFL), where I was actually part of the first life sciences student group. EPFL is traditionally a very strong engineering school but at that point was also moving into the biotech and life sciences area, so it was a very interesting time to be there. That was where my passion for biotech started. After my PhD, I went to the University of California San Diego (UCSD) to pursue a masterâ??s in bioengineering and cardiovascular biomechanics, before moving back to Switzerland to do my PhD, but this time in Zurich at the EidgenÃ¶ssische Technische Hochschule (ETH), which was in biopharmaceutics & drug formulation and delivery.

I actually had to choose between doing my PhD in San Diego versus Zurich, but I decided to go to Zurich because I had the opportunity to join a new lab at the ETH being led by a professor coming from Canada. ETH is also the leading university in Europe for biotech, so I found it very compelling. I wanted to work on science and stay close to product development so I could work on bringing

something to the market fairly rapidly, which I managed to do ultimately. I also felt the cultural fit was better in Zurich than in the US.

During my PhD, I worked on discovering technologies to remove products from patients. I began with the idea of developing a universal antidote for eliminating excess quantities of drugs taken by patients. This was also during the unfolding of the opioid crisis in the US so there was a lot of noise and I thought it would be great to develop something that could tackle this type of issue. We initially developed an intravenous solution that could capture the toxins in the blood but we realized it was not the optimal setup because when something is injected, it cannot be removed, so the toxins captured would ultimately be re-released in the circulating blood.

Therefore, my professor and I worked on a different idea of administering the product through the abdominal cavity. It worked much better than the intravenous solution and we saw surprising efficacy. This was towards the end of my PhD, in 2012, and we started to write patents and build a business case. By the time my PhD ended, the project had become very successful and we thought there was an obligation to try and deliver it to patients. Furthermore, we had also received very good feedback from physicians and patients.

This set me on the path towards biotech entrepreneurship. In 2013, I received the Pioneer Fellowship from ETH Zurich, which allowed me to really start thinking about building a biotech company, assembling a team and so on. Two years later, Versantis was officially established.

How did you find the transition from academia to biotech entrepreneurship? What were some of the first steps you had to take to build Versantis?

It was essential to validate the concept and our business. I mentioned that the initial research idea was that of a universal antidote, but that is not the best strategy for a company as we have to focus on something. Therefore, we conducted a market study and we interviewed a number of players, including physicians and industry participants. We wanted to develop new treatments for huge unmet medical needs and so it was essential to understand what made the most sense for physicians and what kind of products they would like to use, at the end of the day.

During the year and half where I was supported by the Pioneer Fellowship grant, I worked with my co-founding partner, Dr Meriam Kabbaj, to work on this, after which we decided to focus on liver disease, where we saw even larger opportunities than in the opioid overdose crisis. Liver disease is a more established area and the clinical development is far more structured when compared to drug overdoses.

However, liver disease still has huge unmet needs. Historically, the industry has not invested a lot in this field but around six or seven years ago, this changed as the industry started to realize that anyone could have or be susceptible to a liver disease. A quarter of the population globally has some kind of lifestyle-related fatty liver disease, in large part caused by our diet and sedentary lifestyle. This type of liver disease has now been described as a silent killer or a hidden pandemic amongst the general population. As a result, companies are now investing in this space, and other liver indications like non-alcoholic steatohepatitis (NASH) have also attracted a lot of attention.

Once we settled on liver disease, we applied for more grants to kick off our research and to support us for our seed investment fund, and in 2015, we incorporated the company. After that, we were able to work on transforming our academic prototype into assets that could enter the clinic.

Could you introduce Versantisâ?? two lead assets to our international audience?

Our first program, VS-01, is being explored in acute liver failure (ACLF), decompensated cirrhosis, urea cycle disorder (UCD) and drug intoxications. It is extremely innovative and we think it has the potential to be a first-in-class drug for patients with acute and chronic liver failure because there is no other product approved today.

VS-01 has already raised the Rare Pediatric Diseases Designation for the acute treatment of UCD from the US FDA; the Orphan Drug Designation in the ACLF indication also from the US FDA; and the EMA Orphan Drug Designation in the acute liver failure indication. We are starting with orphan indications because this is how we can proceed faster and have a more streamlined clinical development, and even for these orphan indications, the market is already a multi-billion market, but the product also has a lot of potential outside of these orphan indications.

Our second program, VS-02, is a small molecule being explored for hepatic encephalopathy.

We are also constantly working on developing our pipeline and to de-risk our assets to generate value for our shareholders, current and potential. For instance, we continue to collaborate closely with ETH to drive new innovations.

At the same time, we are also in contact with potential industry partners to ensure people are aware of our activities. Once we have our Phase 2 data, we expect to be in a very strong position to partner with strong players to bring our assets to the market together.

Versantis raised a CHF 17.3 million Series B round in 2019. How was this experience and how have the funds been deployed?

I think there is no magic recipe for a successful fundraising. There needs to be a good match between the investor and the company across aspects like therapeutic indications, technology areas and exit timelines. For the biotech as well, I think it is important to work with investors that you would be happy to have on your board.

Our raise was very successful and it helped us to start clinical development, and now we have just completed a very successful Phase 1B study for VS-01. We were able to generate the data that we wanted, validating our mechanism of action and proving initial efficacy. Based on this success, we are currently building a large proof-of-concept (POC) Phase 2 trial, where we plan to enrol 70 patients into a controlled study. Phase 2 trials are not always controlled due to concerns on speed and cost-efficiency but as we are confident about our product, we want to run a controlled trial to be able to generate higher-quality and potentially more attractive data from our Phase 2 trial. If all goes well, it could also pave the way for us to run the next trial as the final registrational trial. To accelerate this, we have actually opened a new round of investment.

It was a pleasant surprise to note that there is a significant number of women on your team, which is a little unusual for biotech start-ups. How has Versantis built up its team and capabilities in general?

As a start-up company, we try to work in a very lean and dynamic way with a small team that leverages the expertise and support of external partners and advisors, including service providers. This allows us to stay flexible and cost-efficient while accessing the tools and capabilities we need.

We try to engage the best and work with them closely so that we all feel that we are working together to drive the success of the project.

With service providers, we tend to go with smaller players because we are aware that we would only be a small fish to the large service providers. We select them carefully to ensure that our projects would be a priority for them and that they understand our ultimate value propositions to the patients that we serve.

Gender equality and diversity in general are aspects that we take very seriously. I firmly believe that gender equality is linked to company success and the general wellbeing of employees. The world is definitely not there yet, unfortunately, and the COVID-19 pandemic has only worsened the situation, unfortunately, reversing a lot of the progress made over the past 50 years. We have seen that women have been twice as likely to lose their jobs, and they are also the ones that predominantly take over (more) childcare and homeschooling duties when schools close.

As small companies, we have more flexibility and we should take the opportunity to empower women from the very beginning and be pioneering on this front. At the same time, we also focus on hiring the best talents and the best scientists. We want to ensure that regardless of gender, the candidateâ??s personality and competencies are a match for our company culture and requirements.

Ex-Bayer executive Christopher Seaton from Bayer recently joined Versantisâ?? board. How easy has it been to assemble the companyâ??s board of directors?

We have been very fortunate to have been able to attract industry veterans on board. The reason is very simple: they fell in love with our projects and they fell in love with our teams. I think that is really the key. This way, our board members are compensated not only financially but directly through our companyâ??s success because they see themselves on our team. They are highly motivated to support us.

We do look carefully at our board member selection because we want board members that will take active roles in supporting us instead of just showing up for board meetings. It is not always easy to find the right balance between experience and seniority on one hand, and motivation and an entrepreneurial mindset on the other. We are looking for senior industry executives that are still willing to roll up their sleeves and support us. We actually rely on our existing board members to help us find new board members.

Having started your own biotech, can you share your perspective on the state of biotech innovation and translational medicine in Switzerland?

It goes without saying that taking products from academia to the market is extremely difficult. We work in an industry where the risk of failure is inherently very high, and that risk is present at virtually every step of the way, even in Phase 3 clinical trials. This is not really something we can fundamentally change.

But the way I see it, Switzerland is genuinely a very attractive country for biotech start-ups, not just in terms of investment because we do have a lot of venture capital present, but also in terms of the overall ecosystem support.

In terms of venture capital, a report was recently released that noted that CHF 2 billion (USD 2.15) was raised in Switzerland in 2020 across 300 financing rounds. The financing ground is certainly fertile. In the biotech sector, we hear a lot about the â??valley of deathâ?? where it is difficult to access funding, and this can occur at various stages but in Switzerland, there is a multitude of funding sources to address this. We also have VCs specifically specializing in the life sciences sector that are now large and mature enough to participate as lead investors across Europe, not just Switzerland, some of which have invested in Versantis.

At the same time, in terms of ecosystem support, we have the luxury of having many actors and supporting players that understand the concept of innovation and also believe that young companies are essential for the future economic growth of the country. Entities like Venturelab have been around for 15 years, supporting thousands of start-ups in the meantime, and actively fostering a better economic and political landscape for start-ups.

Versantis has an amazing story. What do you see in the companyâ??s future?

Our core idea has always been to bring pioneering innovations in the field of liver diseases to patients. This is why we have worked on creating a full pipeline of products and we are working hard to push them towards the market.

Now that we have taken our lead assets into the clinic, we are now pushing to take them towards approval, and we see a number of possibilities to commercialize our assets subsequently. It is really an exciting moment for the company and the next two years will really be a turning point for the company. Phase 2 trials are typically where the company obtains the efficacy data it needs and therefore sees the highest value inflection points, so we are seeing great momentum now and we are extremely happy to be able to advance this together as a team.

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