

## Press Cutting

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### **Lilly in oncology and anti-inflammatory pact with China firm**

Eli Lilly has signed a deal with Hutchison MediPharma, a subsidiary of a China-based firm, which will see the firms develop cancer agents and anti-inflammatory drugs.

Under the terms of the deal, Hutchison, which is wholly-owned by Shanghai-headquartered Chi-Med, will assume primary responsibility for the discovery phase for the identification and selection of "several clinical candidates" and Lilly will provide "ongoing technical advice" and be responsible for the subsequent Investigational New Drug filings and clinical development of these candidates. Hutchison will receive an upfront payment and annual R&D support fees, as well as milestones in the range of \$20-\$29 million per candidate, and potential royalties on worldwide sales.

The firms said that the partnership will take "advantage of the unique opportunities available in China to expedite the drug discovery process, and reduce overall cost". Samantha Du, chief scientific officer at Chi-Med, said the deal "further validates our business model and capabilities", adding that "big pharma quality, biotech speed and China's attractive cost base" should make for a strong collaboration.

William Chin, vice president of discovery research and clinical investigation for Lilly, claimed that "Hutchison "is clearly a leader in China's R&D arena" and has already demonstrated its research qualities through a successful pilot programme with Lilly. He went on to say that his firm's new partner "has the strategic interest and capabilities to advance these Lilly molecules, and we are excited to explore this innovative research collaboration model with them."

Chi-Med trades on the Alternative Investment Market of the London Stock Exchange and as well as pharmaceuticals, specialises in supplements and other consumer and personal care products derived from traditional Chinese medicine and botanical ingredients. In terms of drugs, the Hutchison unit currently has two candidates in clinical development in both the US and China. HMPL-002 is a radiosensitiser for head and neck and non-small cell lung cancer which is in Phase I/II in the USA and in proof-of-concept in China, while HMPL-004 has completed a proof-of-concept study in ulcerative colitis and is in Phase II studies in Crohn's disease across the Atlantic.