

Relypsa - 2008 Fierce 15

Relypsa

Based: Santa Clara, CA

Founded: 2007

Website: www.relypsa.com [1]

The Scoop: An experienced, focused team of developers has put Relypsa back on the same track Ilypsa was on before it was bought out by Amgen. The blueprint calls for a rapid turnaround on a new set of mid-stage data and the kind of compelling data that made Ilypsa attractive.

What makes it Fierce: The Relypsa team, now headed by Gerrit Klaerner, PhD, is experienced at this work and focused on gaining rapid results.

After Amgen bought out Ilypsa and cherry-picked its lead therapy, the same team that made the company worth \$420 million was spun out into a look-alike, sound-alike biotech named Relypsa. And the new company hopes to advance much the way Ilypsa did, moving a lead therapy into Phase IIa (expected in the third quarter) while another program moves into the clinic. Within two years, with the right kind of mid-stage data in a program ready for late-stage testing, Relypsa could look a lot like Ilypsa did before Amgen bought the company out.

"We have met or exceeded expectations on our lead program," says COO Gerrit Klaerner, PhD, who says the development team got into the clinic ahead of schedule.

Relypsa is developing nonabsorbed polymeric drugs for renal and cardiovascular diseases. Because the drugs move through the GI tract and are cleared from the body before hitting the blood stream, the therapies can eliminate side effects seen in existing drugs. The lead program--RLY5016--is a potassium binder for hyperkalemia that offers a safer cardiovascular profile. And the developer says it can also advance these new therapies at a faster pace than the average biotech program.

Simple. But then, what's wrong with simplicity?

"I take simple any day," says Klaerner. So do the venture capitalists. Relypsa re-launched with \$33 million from 5AM Ventures, New Leaf Venture Partners, Sprout Group, Delphi Ventures, CMEA Ventures and Mediphase Venture Partners.

A Phase IIb trial next year would test the theory on a population of CHF patients.

What to look for: In 18 to 24 months, if all goes according to plan, Klaerner says that Relypsa would be on the verge of a Phase III trial and have another program in the clinic. That's a "one-two punch" that the COO sees setting up a knockout "liquidity event." Depending on the size of the IIb trial, Relypsa may look for a relatively small financing round next year.

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