Biotech company that licensed OHSU drug candidate raises $76M

Jun 16, 2020, 12:45pm PDT Updated: Jun 16, 2020, 3:35pm PDT

A San Diego biotechnology company has raised $76 million to develop a therapy to treat multiple sclerosis that came out of a lab at Oregon Health & Science University.

Autobahn Therapeutics completed the Series B funding round co-led by ARCH Venture Partners and Cowen Healthcare investments. It will use the proceeds to advance its lead drug candidate to treat people with MS and adrenomyeloneuropathy (AMN), a rare genetic disorder.

The fundraise is one of the largest private investments for an OHSU spinout, said Andrew Watson, OHSU's senior director of technology transfer. OHSU licensed the technology to Autobahn.

"This company has a good runway to work with of pushing these therapeutic assets forward that were originally developed in Tom Scanlan's group," Watson said.

Tom Scanlan, a professor of physiology and pharmacology at the OHSU School of Medicine, developed the compound about two decades ago initially to lower cholesterol. Then a colleague suggested using it to repair myelin, which is damaged in MS patients, causing problems in walking and eyesight. Sobetirome
not only triggered myelin repair in mice but produced substantial motor improvements.

Scanlan said the fundraise is a huge vote of confidence for the science.

“You don’t see too many OHSU companies that get to that point and to head toward clinical development, and for someone in the basic sciences, it doesn’t happen very often,” said Scanlan, an Autobahn co-founder who currently serves as a company adviser. “I feel it’s very much validating for the hard work we’ve done over the last several years.”

Scanlan said he doesn't know when human clinical trials will begin, but the goal is to "do it as quickly and as safely as possible."

“Autobahn is harnessing the regenerative power of the human body to treat both rate and prevalent central nervous system disorders,” Chairman and CEO Kevin Finney said in a written statement. “We are coupling our deep knowledge of thyroid hormone biology and remyelination with our brain-targeting chemistry platform to restore the brain to a healthier state.”

The other participants in the funding round were BVF Partners LP, Biogen, Bristol Myers Squibb, Pfizer Ventures, Invus, Section 32, Samsara BioCapital and Alexandria Venture Investments.

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