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# CEL-SCI Corporation targets Gulf investors

BY LUCIA DORE

DUBAI — Publicly listed US cancer immunotherapy company, CEL-SCI Corporation, “would be willing to list on a Dubai exchange if a Dubai investor wanted,” the company’s CEO, Geert Kersten said yesterday. He is in Dubai looking for regional investors, as well as partners to develop and distribute the company’s trademarked drug, Multikine, in the region.

The UAE is seen as a “perfect location” because it is in the process of building up a significant presence in the health care market, through such ventures as the creation of a biotechnology park, he said.

CEL-SCI is about to embark on Phase III clinical trials. Phase II clinical trials have shown that the drug increases survival by 33 per cent, significantly above the 10 per cent improvement that is perceived as a breakthrough. “Breakthrough” drugs — such as Rituxan, Herceptin, Avistin and Erbitux — that have been developed by biotechnology companies have achieved sales of between \$1.1 billion and \$3.9 billion.

Phase III is the last phase of the drug’s clinical trial study and is designed to produce marketing approval for Multikine. The success of the Phase III trial would establish a new first line standard of care in the treatment of advanced primary (not yet treated) head and neck cancer patients, of which there are about 600,000 each year worldwide, explained Kersten.

“Treating 7 per cent of all patients would generate \$1.2 billion per year but standard of care should translate into greater numbers,” he said, adding that the

company has also retained all major marketing rights for a \$5 billion plus market. Worldwide approval of the drug is expected by 2012.

Kersten said his company has the resources “to develop the drug for head and neck cancer, but not for other cancers.” Further investment would allow CEL-SCI to achieve its next goal — to develop treatments for breast, cervical and skin cancers. He said Multikine is also shown to enhance the success rate of radiation and chemotherapy and could lead to lower doses of those treatments or reduce the need for them.

Multikine was discovered at the Max-Planck Institute in Germany 30 years ago and treats cancer in a non-toxic way. It boosts the body’s immune system to fight cancer, rather than destroying it with radiation and chemotherapy. Some \$100 million has been invested in developing the drug so far—much less than it would have cost a big pharmaceutical company, Kersten explained.

For investors, he sees three potential outcomes for CEL-SCI in the longer term. The first is that the company may be acquired by a big pharmaceutical company because it still holds the key marketing rights to Multikine. The second is that the company builds its own specialised sales force in the US and Europe, following the example of Celgene went from a market cap of \$13 million in 1998 to a \$27 billion market cap in 2007.

The third possibility is that CEL-SCI partners with a major company to achieve a combination of the two previous scenarios.