
Disease profile system developed by Kinexus Bioinformatics

Company's database tracks enzymes and their targets in cell and tissue specimens

BY ROD NUTT

A Vancouver company closely affiliated with the University of British Columbia says it is the first company in the world to offer a service that provides a profile of an individual's disease thereby indicating what drugs should be used.

Kinexus Bioinformatics Corp., which operates out of the Don Rix incubator building on the UBC campus, also provides information to companies about potential drug targets.

"We can get a tissue sample by FedEx, for example a needle biopsy of a tumour, and then profile it to indicate what drugs should be used" Kinexus president and chief executive officer, Steve Pelech said Tuesday. "The results are then sent back on the Internet."

The profile is derived from the company's database that tracks hundreds of enzymes and their targets in cell and tissue specimens.

Pelech, who is also a professor of medicine at UBC, said the privately held company currently has the capacity to carry out 20,000 screenings a year, which would generate about \$10 million in revenue.

He said about 50,000 scientists worldwide studying such diseases as cancer, diabetes and heart disease could make use of the service, which began last week.

"It's a very fast diagnostic technique," Pelech said.

The company charges \$750 for each screening and guarantees a turnaround time of two weeks.

"The screens provide powerful tools for the discovery of new drug targets, new drugs and the molecular diagnosis of disease," Pelech said. "The introduction of these tests represents a significant commercial milestone for Kinexus."

UBC owns the intellectual property and Kinexus has the exclusive licence.

The technique, which maps cell communication network to unlock information on genes, was developed with funding from Medical Research Canada, Heart and Stroke Foundation and the National Research Council.

Funding for future growth of the company is coming from institutional investors.

A syndicate led by Milestone Medica Corp. and including BIRC Capital Corp., BioFuture Fund Capital and an angel investor has invested \$2.2 million in Kinexus to date.

“We see an immediate source of revenue being generated from this unique technology,” Milestone Medica chief executive officer David Shindler said.

“Kinexus has a unique business model, strong management and proprietary technology that will expedite research in academia and biopharmaceutical companies around the world.”

Pelech said the company will have an initial public offering and list on Nasdaq in about two years.

Christopher Spille, director of Nasdaq’s international operations, said biotechnology companies have raised \$2 billion US through IPOs.

“It’s the second best year ever after 1996. The biotech index has outperformed the composite over the last 18 months.”

Spille said Nasdaq has added 35 Canadian biotech companies this year, bringing the total to about 140 from this country.

Both Pelech and Spille are attending the seventh Pacific Rim Biotechnology Conference under way in Vancouver this week.