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Cerulean Pushing Nano-based Pipeline via $24M Series C

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Knowing it would need to raise additional cash this year, nanopharmaceutical firm Cerulean Pharma Inc. started getting its story out early, even putting together a three-day symposium in August to showcase the latest advances in the nanomedicine space.

"We wanted to get on the radar screen," said Oliver Fetzer, president and CEO of the Cambridge, Mass.-based firm, who spoke to *BioWorld Today* from Munich, Germany, where he's slated to give a company presentation at the BIO-Europe meeting this week.

Yet, while the increased visibility over the past few months certainly didn't hurt, Fetzer attributed the successful closing of the firm's $24 million Series C round largely to promising early clinical and preclinical data from its lead nanopharmaceutical compounds. "Nothing else substitutes for good data," he said.

In August, Cerulean reported Phase I results showing that CRLX101, a camptothecin nanoparticle, was well tolerated, with several patients with advanced and progressive cancer achieving stable disease.

One notable finding also showed that, in human biopsy data, both nanoparticles and free drug in one patient remained in tumor tissues for 14 days following only a single dose.

CRLX101 , in-licensed in last year's deal with Pasadena, Calif.-based Calando Pharmaceuticals Inc., was intended to offer Cerulean a faster-than-expected route to the clinic, and the latest financing will support a Phase II trial in non-small-cell lung cancer.

"There's not much in terms of treatment" for NSCLC, Fetzer said. "We're seeing some really promising data."

The planned randomized Phase II trial is expected to evaluate overall survival as the primary endpoint.

Camptothecin, discovered as a potential cancer drug decades ago, proved too toxic in its original form for actual use in treatment. Other firms have managed to modify the compound for commercial use, namely GlaxoSmithKline plc with Hycamtin (topotecan) and Pfizer Inc. with Camptosar (irinotecan), but Cerulean's nanoparticle approach aims to deliver camptothecin straight to the tumor, sidestepping the troublesome systemic side effects.

That tumor-targeted approach could work equally well with other compounds. Earlier in its pipeline Cerulean has CRLX288, a docetaxel nanopharmaceutical that has shown efficacy in animal models, more than doubling the survival rate in vivo. The company is moving toward an investigational new drug application filing and Phase I testing for that program.

Elsewhere in development, Cerulean aims to use its nanoparticle technology to deliver a siRNA compound. And the platform could be useful in other areas where, like siRNAs, "you know right from the beginning that you're going to need a carrier to get the drug into cells," Fetzer said.

The broad applicability of the company's platform technology means partnering is definitely part of its strategy, both with companies looking to improve on existing drugs and those with development-stage assets that could benefit with Cerulean's tumor-targeted nanotech-based delivery.

Its latest financing brings on board Lilly Ventures, which led the round and "adds beautiful validation to our technology," Fetzer said.

Steve Hall, of Lilly Ventures, also joined the company's board.

Joining Lilly in the Series C were Cerulean's existing investors, including Polar Venture Partners, Venrock, Lux Capital and Bessemer Venture Partners.

To date, the firm has raised about $56 million. Its last financing came a little over a year ago, when it added $10 million in Series B-1 funding. (See *BioWorld Today*, *July 28, 2009*.)

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