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Contributions may be submitted to the Editor at editor@azbioindustry.org.

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Did You Know...

The original London Bridge was shipped stone-by-stone and reconstructed in Lake Havasu City. When the bridge, built in the 1830s, began to sink into the Thames River in the 1960s, it was replaced by a more modern concrete bridge.

Then, England put the stones up for sale in 1967. A man named Robert P. McCulloch Sr. purchased the bridge on April 17, 1968, at a cost of \$2,460,000.

The 10,246 blocks were shipped to Arizona and reassembled over a lagoon at the edge Lake Havasu at a cost of \$3 Million. The Bridge opened in 1971.

**Missed an edition of the BioInsider?
Go to www.azbioindustry.org for all
the back issues in PDF format.**

June 2006

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INDUSTRY NEWS

Local med company files for IPO

'Clot-busting' firm expects to raise \$75M

Source: Arizona Daily Star, 5/23/06

ImaRx Therapeutics Inc. has filed for an initial public offering of stock that would make it the fifth Tucson-headquartered company publicly traded on a major stock exchange.

Founded in 1999 by University of Arizona radiology professor Dr. Evan Unger, ImaRx is developing therapies for vascular disorders associated with blood clots.

The company, which lists 42 full-time employees, pioneered the development of gas-filled "microbubbles" injected into the bloodstream to deliver targeted therapies and drugs.

ImaRx — which calls itself "the Clotbusting Company" —has microbubble therapies in advanced-stage clinical trials for stroke and for clearing dialysis catheters. The company recently purchased rights to a clot-dissolving drug developed by Abbott Laboratories.

In its registration statement filed with the SEC, the company states it intends to apply for listing on the Nasdaq National Market System under the symbol "IMRX."

The statement estimates the issue will raise a maximum \$75 million, a figure likely to change as the shares are priced.

The offering is being made through an underwriting syndicate including CIBC World Markets Corp., Jefferies & Co. and First Albany Capital.

The company says it plans to use about \$16 million of the expected proceeds to pay off of a \$15 million promissory note that the company issued last year to acquire clot-busting drug technologies. Another \$22 million would be used to continue clinical drug development and about \$14 million would fund the contract manufacturing of its prospective products, according to the registration statement. The rest would be used for working capital and general corporate purposes.

**For more information go to:
www.imarx.com**

ASSOCIATION NEWS

On May 31, 2006, the Arizona Bioindustry Association recognized winners of the **Excellence in Bioscience Awards**.

The following is the list of winners in their categories:

- **Bioscience Leader of the Year:**
John Murphy of the Flinn Foundation
- **Bioscience Company of the Year:**
Amplimed Corp.
- **Medical Device or Instrumentation Company:**
Ventana Medical Systems Inc.
- **Startup Bioscience Company:**
DMetrix Inc.
- **Bioscience Executive of the Year:**
Dr. Tianwei Jing of Agilent Technologies (formerly Molecular Imaging Corp.)

The evening's events featured a keynote address from the Honorable James C. Greenwood, president and CEO of BIO, who spoke about advocacy efforts that BIO (the parent organization of the ABA) currently has underway. In his brief 17-month tenure, Mr. Greenwood has visited almost 100 cities around the USA and commented that Arizona has one of the fastest growing bioscience communities in the country

Congratulations to all the winners, and a warm thank you to all the nominees and attendees! It is your dedication to excellence that inspires the bioscience industry in Arizona.

See you all again next year!

AZ BIO CALENDAR

ABA BioBreakfast Series 2006
Sponsored and hosted by
Jennings, Strouss & Salmon

**June 21 – Ernst & Young Global
Biotechnology Report**
Tentatively set for the Arizona Science
Center

August 1 – Speaker TBD

For registration information go to:
www.azbioindustry.com

BIO VentureForum East 2006 – June 12-14, 2006 – Jersey City, NJ
For more info: www.bio.org/events

Drug/Device Summit 2006 – July 10-12, 2006 – San Diego, CA
For more info: www.bio.org/events

**2006 World Congress on Industrial
Biotechnology and Bioprocessing – July
11-14, 2006 – Toronto, Canada**
For more info: www.bio.org/events

**BIO Mid-America VentureForum 2006 –
Sep. 25-27, 2006 – Cleveland, OH**
For more info: www.bio.org/events

**The Western Biomedical Engineering
Conference (WestBEC) – November 10,
2006 - Phoenix Convention Center**

For more info: www.westbec.org

Be sure to check out the latest
Member Benefits at
www.azbioindustry.org .

INDUSTRY NEWS

Nearly \$3 million awarded to science research and education

Source: Inside NAU, 5/10/06

Northern Arizona University has received a five-year, \$2.9 million grant from the National Science Foundation to establish a multi-disciplinary graduate training program called Integrative Biosciences: Genes to Environment.

The Integrative Graduate Education and Research Traineeship grant will help train a new generation of scientists with the technical and professional skills needed to address critical environmental issues, including how genetic information at the scale of molecules affects landscape-level environmental change.

"The grant will help NAU educate well-rounded scientists who are able to bridge gaps between the scientific community and the public," said Maribeth Watwood, professor of microbiology and principal investigator for the traineeship.

The grant will support multidisciplinary education and research. It will fund new courses focused on topics such as scientific ethics, cultural issues and specialized statistics. It will also support costs for travel, research materials, technical tools, workshops, administrative support and internships on and off campus.

According to Watwood, educating graduates with a broader understanding of their research implications will give them "the edge needed to become leaders in their field."

An array of research-support facilities will be available to participating students, including the Merriam-Powell Center for Environmental Research, the Colorado Plateau Stable Isotope facility and the Environmental Genetics and Genomics facility.

Watwood said that while the most direct effects of the grant will be on biological sciences and forestry doctoral programs, it will also increase collaborative interaction among the School of Forestry and several departments in the College of Engineering and Natural Sciences.

For more information go to:

www.nau.edu

IN BRIEF

Kinetic Muscles seeks more clinical trial volunteers with grant renewal

Kinetic Muscles Inc. of Tempe will receive a second year of funding under a three-year, \$1.2 million Small Business Innovation Research grant. The grant is funding the testing of KMI's Hand Mentor device, which helps stroke survivors recover motion by training their affected limb. The device has been approved by the FDA. The company is looking for 72 volunteers to use the Hand Mentor at home for three months. Details: 480-557-0448.

For more information go to:

www.kineticmuscles.com

Surprise names economic manager

Source: Arizona Republic, 5/19/06

Surprise has a new economic development manager.

Jeanine Jerkovic, a graduate of Arizona State University and former vice president of international programs for the Greater Phoenix Economic Council, will work to recruit employers, develop Surprise's bioscience initiative and execute the city's economic development marketing communication program.

"Jeanine is an absolutely smashing candidate for this position," said John Hagen, Surprise economic development director. "Her experience with the Greater Phoenix Economic Council and Arizona Department of Commerce brings some great relationships to the city."



Welcome to **Biozona**, a place where science thrives for the benefit of all. That's the message behind a new brand identity for Arizona's bioscience sector. This logo was developed through a collaborative process among statewide communications officials involved in the biosciences via Arizona's Bioscience Roadmap. The brand will be used to promote Arizona biosciences to both in-state and out-of-state audiences.

ABA Q&A



The Laws of Licensing in the Biomedical Community

By *Susan Stone Rosenfield, Esq.*

Why is licensing critical to the biomedical community?

Licensing provides a mechanism for parties with different types and levels of expertise and financial resources to collaborate so that biomedical technology can make the long, arduous journey from the laboratory bench to the patient's bedside. Biomedical technology involves unique challenges, as it must be proven to work safely and effectively in vitro (i.e., in the laboratory outside of a living organism), then in animal models, and then in humans. For example, licenses permit universities' basic research to be translated into diagnostic tools and patient treatments by conveying to companies the rights and incentive to commercialize.

What are some key licensing provisions?

It is critical to properly identify the technology, whether know-how, patented or patent-pending and in which countries, and rights others may own in underlying technology. It is important to determine at the time of license negotiation how to clearly identify ownership and exploitation rights in new technology arising from the relationship.

The field of use of the technology should be clearly spelled out, indicating type of disease, route of administration, etc. If appropriate, one should define whether the technology may be licensed to an entirely different field, such as agriculture.

The extent of exclusivity and whether sublicenses are permitted should be clear, as should whether other licensees have already been, or might in the future be, granted a license. Geographic boundaries should be stated.

An early stage company or university licensor should consider a reach-through license, wherein a stream of royalties is provided for, even if the basic technology licensed is itself no longer covered by a patent at the time the product is commercialized.

Payments, whether royalties or milestones, should consider the length and risk of the development process. Indemnification and product liability provisions should be included. The licensee should consider the costs of obtaining other licenses from third parties for rights needed to develop the technology.

How do I avoid problems?

The licensee should be required to exercise due diligence in the development and commercialization process, with clear requirements set forth. Excellent communication between the parties should be maintained throughout the term of the license to be sure the parties' goals are met. During negotiation of the license, parties should consider what would happen to potentially valuable technology developed, should the relationship sour, not an uncommon occurrence due to inherent uncertainties involved in the development process.

Susan Stone Rosenfield is an attorney with Fennemore Craig P.C. She focuses on all aspects of intellectual property, including the adoption, defense, and enforcement of copyright, patent, trademark and trade secret rights. Her practice also includes the negotiation and drafting of agreements involving pharmaceuticals and biotechnology including confidentiality, research and development, drug manufacturing and testing, animal study, clinical study, joint development and related agreements.

Christine Meis McAuliffe, Esq.

Christine Meis McAuliffe is a registered patent attorney at Jennings, Strouss & Salmon who has been involved in life sciences research and development for over 12 years—first as a researcher and then as an attorney. Christine predominantly represents life science and other technology clients ranging from major universities and large corporations to startup and emerging companies.



Christine is very involved in the life sciences industry, including serving as Chair of the Health and Human Services Committee in the Section of Administrative Law and Regulatory Practice of the American Bar Association, and as a mentor to life science companies through the Technopolis and Edson Entrepreneurship Initiative programs at Arizona State University. Christine is also in the process of earning her Masters of Laws degree in Biotechnology and Genomics at the Sandra Day O'Connor College of Law at Arizona State University, where she is also a research fellow in the Center for Law, Science and Technology.

Judith L. Neuman

Judy Neuman is the Regional Marketing Manager for Squire, Sanders and Dempsey, Judy is responsible for the firm's strategic and business planning efforts as well as marketing and business development functions for the Phoenix office.



Prior to joining Squire Sanders in 2004, Judy was the Marketing/Communications Manager for American United Life Insurance headquartered in Indianapolis, Indiana, where she was responsible for the company's marketing, communications and branding efforts. Originally from Illinois, Judy was Event Marketing Manager for 10 years at John Nuveen & Co., Inc, a financial investment firm in Chicago, where she managed the event marketing program and negotiated sponsorship agreements with sports properties such as PGA, Senior PGA, Nuveen Tour Tennis and the NBA. She was also recognized by executives as one of the top 10 women at Nuveen. Along with being the Chairperson for the ABA Marketing Committee, Judy is also chairperson for the Corporate Mentor Committee for the Juvenile Diabetes Research Foundation (JDRF).

GET INVOLVED

The ABA is the statewide organization promoting the growth of the bioindustry in member services, education, business networking, public policy, and entrepreneurial endeavors. For membership information please visit www.azbioindustry.org or contact the following Committee Chairs to learn how you can be a part of one of the country's fastest growing bioindustry trade associations.

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THE ARIZONA BIOINDUSTRY ASSOCIATION IS THE RECOGNIZED STATEWIDE ORGANIZATION FOR PROMOTING THE GROWTH OF BIOINDUSTRY THROUGH PARTNERING AND COLLABORATIVE RELATIONSHIPS AMONG EDUCATION, BUSINESS, PRIVATE AND PUBLIC SECTORS. IT SERVES AS THE NETWORKING, ADVOCACY, EDUCATION, AND COMMUNICATIONS GROUP FOR ARIZONA'S BIOINDUSTRY.