

# ENDPOINTS NEWS

## The top 10 Alzheimer's deals tell us a lot about a big change of direction for a disaster-prone field

by John Carroll on March 26th, 2019



A decade of disasters in Alzheimer's R&D — topped by the calamitous and perhaps [final fumble](#) on the amyloid beta line by Biogen — has done little to change biopharma's appetite for risky clinical development programs. But it has started to alter the selection of preclinical appetizers mainstream players are ordering these days.

We asked Chris Dokomajilar, the founder of [DealForma](#), to run the numbers on Alzheimer's deals dating back a decade. And what he found may surprise you.



Chris Dokomajilar

Last year was by far the busiest on record for new Alzheimer's deals, just as big plays by Merck, Lilly and Roche were all headed to the same rocks that have **claimed virtually everything** floated against this disease in the last decade. Out of the 126 pacts he tracked over the distance, 27 were struck in 2018. And 6 of the top 10 research deals of the decade — calculated by a total of upfronts and milestones — were all inked last year.

Those 6 deals include \$7.5 billion in potential value overall, with less than 10% of that — \$649 million — riding on the cash upfront. Over the past decade the tally comes to \$19.5 billion, with \$2.4 billion paid upfront, indicating an overall trend to push up the milestones and ratchet down what's anted up in cash.

Pfizer may have helped push that trend after writing off its \$225 million upfront to partner with Medivation on a Russian antihistamine that failed badly in the clinic.

The roster of 2018 alliances points to a number of new directions for R&D work. Two of the top deals signed last year cover tau, the second big target that's lining up now that a string of solo approaches from the majors going after amyloid beta have cratered. Two of these new deals involve Denali, a startup biotech in the Bay Area run by Genentech vets that's promising to use **new technologies** to try different approaches to the disease.

The \$130 million upfront deal that Eli Lilly executed for its pact with AC Immune **late last year** — before the crushing failure of AC Immune's **crenezumab**, its amyloid beta drug partnered with Roche — is a clear standout in the tau column. That new deal included \$60 million in near-term milestones and \$1.7 billion in a package of milestones, plus.

The most recent buyers are all among the big biopharma crowd: Takeda, in for 2, alongside Eli Lilly — batting zero with multiple times at the Phase III plate — Sanofi, AbbVie and Celgene. Careful observers may recall that Bob Hugin cautiously began to add neuro to the R&D mix several years ago, before the big changeup in management. Whether that survives the Bristol-Myers Squibb buyout is yet to be seen.

## Top 10 Alzheimer's R&D partnerships

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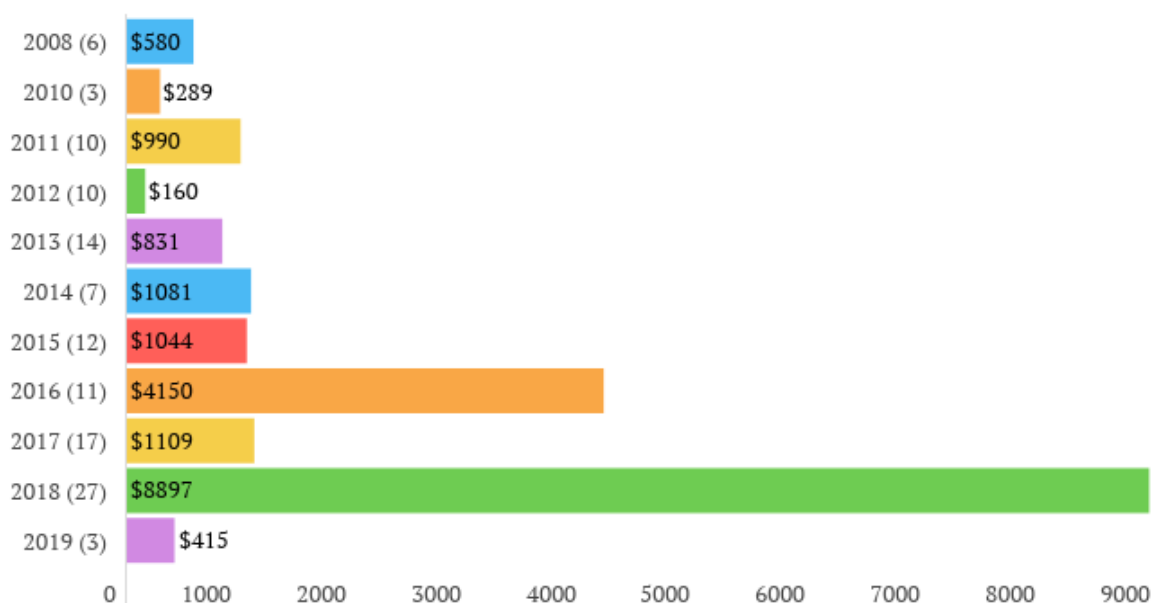
Licensors	Licensee	Date	Description	Total Deal Value (\$M)	Total Upfront Cash and Equity (\$M)	Total Milestones (\$M)	Other (\$M)
Heptares (Sosei)	Allergan	4/7/2016	Portfolio of subtype-selective muscarinic receptor agonists for Alzheimer's and other neurological disorders	\$3,340	\$125	\$3,165	\$50 (R&D funding)
Wave Life Sciences	Takeda	2/19/2018	Option to license oligonucleotide therapeutics for neurological disorders, including Alzheimer's	\$2,230	\$170	\$2,000	\$60 (R&D funding)
AC Immune	Lilly	12/12/2018	ACI-3024 morphomer tau aggregation inhibitor for Alzheimer's	\$1,890	\$130	\$1,760	
Denali	Takeda	1/3/2018	Three compounds for Alzheimer's and other neurological disorders	\$1,173	\$155	\$1,003	\$15M (options)
Denali	Sanofi	11/1/2018	DNL747 for Alzheimer's and neurological disorders (and DNL758 for RA and Psoriasis)	\$1,125	\$125	\$1,000	
Voyager	AbbVie	2/16/2018	AAV vector based gene therapies targeting tau for Alzheimer's and neurodegenerative disease	\$1,119	\$69	\$895	\$155 (options)
Prothena	Celgene	3/20/2018	Tau and TDP-43 targeting therapies for Alzheimer's and other neurological disorders	\$848	\$150	\$563	
Evotec	Roche	9/6/2011	EVT 302 MAO-B inhibitor to treat Alzheimer's symptoms (previously for smoking cessation)	\$830	\$10	\$820	
Lundbeck	Otsuka	3/26/2013	Lu AE58054 for Alzheimer's (expands 2011 deal)	\$825	\$150	\$675	
BMS	Biogen	4/13/2017	BMS-986168 anti-tau antibody for Alzheimer's and Progressive Supranuclear Palsy	\$710	\$300	\$410	

January 2008 through March 22, 2019. Source: DealForma.

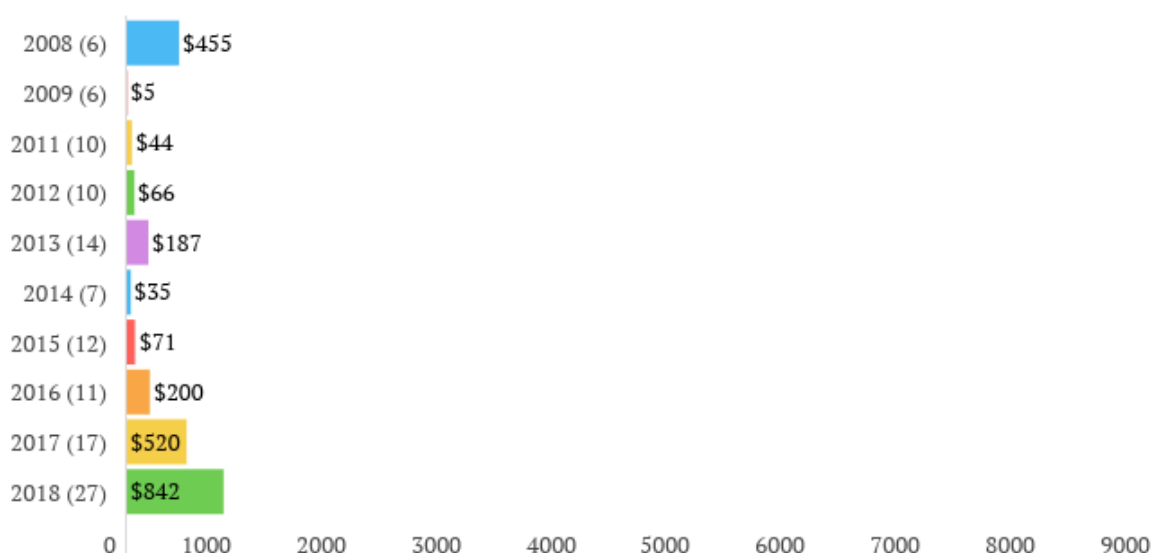
## Alzheimer's R&D deals

Year (# number of deals)

### Total Deal Value (\$M)



### Total Upfront Cash and Equity (\$M)



Source: DealForma

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