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H2O DEAL WITH PGXIS EXPANDS THE H2O BUSINESS MODEL INTO JAPAN

H2O Venture Partners has signed a deal with PGXIS Ltd (PharmacoGenomic Innovative Solutions Ltd), the UK subsidiary of a Japanese-registered company (PGXIS Inc) specialising in pharmacogenomics, the branch of medicine dealing with the influence of genetic variation on the efficacy and toxicity of drug therapies. The deal with PGXIS will allow further expansion of H2O into international markets and allow it to market its technology-scouting services in Japan.

In the UK, around £10 billion is spent annually on publicly funded research, and in Europe as a whole this spend is in the region of £100 billion. "The UK has a reputation for its efficiency in producing high-quality science, twice as efficient per pound spent as its nearest competitors in France, Germany and the USA," said David Kelly, CEO of H2O Venture Partners. "H2O not only has the contacts within this research base, but because of our impartiality, we can act as an 'honest broker' when scouting for technology of potential value to industry clients."

The challenge for large corporate and multinational companies is that this research is often at so early a stage that the benefits are not clear and their involvement is difficult to justify internally. H2O fills this gap by investing in this research and directing its commercial potential. This investment can then take the technology through to the formation of a spinout company and take that company through to a point where a corporate client could license the technology or invest in it via their own venturing arm. Thus H2O's technology scouting practice provides a tool to identify early-stage intellectual property and a mechanism to advance it to a point where clients can engage with it.

H2O is aware of the barriers to efficient communication and technology exchange between Europe and Japan. PGXIS will be able to bridge that gap in Japan in conjunction with H2O, allowing Japanese companies to access the European research base.

Dr Alun McCarthy, Chief Scientific Officer of PGXIS, sees a bright future for the new partnership. "This will benefit both companies tremendously. H2O is broadening the PGXIS offering for the benefit of Japanese companies, and we are opening the Japanese market to the technology-scouting services of H2O."

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For more information on PGXIS is available at their web site www.pgxis.com