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U.K. biotech startup forges close ties to Eli Lilly's R&D experts

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Even the smallest biotech company can benefit when it thinks--and acts--globally. And a biotech startup that was able to grab a promising therapeutic asset from Pfizer ([\\$PFE](#)) as it shuttered much of its work in the U.K. has pieced together a global virtual organization that illustrates just how effective that can be.

Ixchelsis gained a \$14 million investment from Montreal-based TVM Life Science Ventures, which in turn helped connect them to Eli Lilly's development expertise in [Chorus](#) to provide oversight for a three-year R&D project that will largely be completed in the U.K., CEO Gary Muirhead tells *FierceBiotech*. TVM and Lilly agreed recently to collaborate on single-asset R&D projects. And in this new deal Lilly will be well positioned to take over IX-01--if it decides to step in and acquire control of the company following proof-of-concept data.

Muirhead was in an ideal position to take advantage of Pfizer's big move out of the U.K. He was one of the team members that worked on the blockbuster [Viagra](#) program. As a member of the male sexual health effort there he had worked on a new drug designed to prevent premature ejaculation, which had completed a first-in-human study. Pfizer's decision to wind down much of its research work in Sandwich came at the same time the pharma giant was bowing out of the urology field. And it was willing to part with the program in exchange for some equity and a seat on the board.

"Ixchelsis was formed two years ago," says Muirhead, who had trekked to J.P. Morgan in San Francisco as part of an international effort to find funding. Ixchelsis is now one of a small group of U.K. biotechs that were able to launch with one of Pfizer's assets. And the company has remained in the old biotech hub in Sandwich, which has been undergoing a makeover as the country offers fresh support for a growing group of fledgling developers.

Ixchelsis is very much a project effort, says Muirhead. There are four staffers in the virtual company, which stays in contact with its financiers in Canada and Chorus in Indianapolis as it lays the foundation for its research work in the U.K. And the government's new R&D tax incentives will help the biotech get through the mid-stage work, at which point it will look for a buyout.

"The plan is to compete it just about three years from now," he says, after which "we will be looking at an exit."

The principals at TVM weren't immediately available for an interview. They said they were on a trip in Asia.

- here's the original [press release](#) from last month

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