



Name change reflects new direction

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Cognate Bioservices Inc. began this week with a new name and a newly focused mission.

The former Cognate Therapeutics Inc., a four-year-old firm based in Baltimore and owned by Bethesda-based Toucan Capital Fund II, announced yesterday it was changing its name to better reflect the heavy lean of its business toward contract services for other biotech companies.

The firm still owns a portfolio of intellectual property, but has scaled down development of those adult stem cell-based technologies in order to focus on its contract manufacturing and research services, including a California manufacturing facility.

Officials said the new name no doubt better communicates to potential clients — cell-based science firms, including those focused on stem cell therapy — that the firm's 30-some employees are ready and waiting to assist with research, manufacturing and planning of both preclinical and clinical trials and scale-up.

Cognate for the most part is leaving development of its intellectual property up to other firms within the Toucan family of companies, including Theradigm Inc., according to the president and COO of both firms, Alan Smith.

"Primarily, at least, the intellectual property is being developed currently by our sister companies," Smith said of Cognate. Contract services "is our primary focus — that is the sum and substance of the name change."



A name change for Baltimore-based Cognate Therapeutics Inc., now Cognate Bioservices Inc., was undertaken to better reflect the biotechnology company's mission. Cognate President Alan Smith, above, said contract services was the company's primary business.

Photo by Max Franz

Cognate began in April 2002 with Smith and Dr. Annemarie Moseley, former president and CEO of Osiris Therapeutics Inc., another Baltimore-based stem cell therapy firm. Smith had previously served as Osiris' COO.

The firm was backed from the beginning by Toucan Capital Fund II, the \$120 million fund that marks the second venture of Toucan Capital Corp.

Cognate's original focus, Smith said, was development of adult stem cell-based therapies for the treatment of cardiovascular ailments.

But as its contract services business has grown, the firm has outgrown that original therapeutic focus — and the name that went with it.

Now, Cognate serves companies nationwide with research and manufacturing services and expertise, including its Sunnyvale, Calif.-based Good Manufacturing Practices, or GMP, manufacturing facility.

And throughout their careers Cognate's employees have worked on more than 15 Investigational New Drug applications submitted to the federal Food and Drug Administration, Smith noted as a point of pride.

Their expertise proves valuable in assisting clients in planning research projects and requesting clearance from the FDA for their projects, the COO said.

The firm can serve anywhere from four to eight clients at a given time, said Smith, and the business is growing. Cognate even has had interest from overseas firms in Europe and Asia.

"We think there's going to be a large, growing need for those types of services," said Vice President of Business Development Aaron Heifetz. "With the expertise and personnel we have within the organization, this should be a large growth business for the company."

That growth may benefit the Baltimore region, said Smith, as Cognate seriously ponders opening a manufacturing facility closer to its offices at the techcenter@UMBC, the University of Maryland, Baltimore County's research park.

Also in the future, Smith said, is the possible windfall for stem cell companies if California's Proposition 71 — earmarking \$3 billion of public funding for stem cell research both embryonic and adult — makes it through the court system.

"I certainly think we can take advantage of that should all the legal challenges be cleared and that money really made available to researchers," said Smith, noting the company's California plant.