

Excorp enters 'the zone'

Biomed marks move with industry symposium

BY JIM McCARTNEY

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When Excorp Medical Inc. recently moved from Oakdale to its new space on Kasota Avenue in Minneapolis, it became the first biotech company to locate in the new University Research Park biosciences zone.

To celebrate the event, the city of Minneapolis, the University of Minnesota and the University of Wisconsin today are hosting a daylong symposium that will focus on potential treatments for liver disease, including Excorp's product, as well as the need for Midwestern states to develop a regional approach to building the biotech industry.

Among those scheduled to speak are Minneapolis Mayor R.T. Rybak, Republican House Speaker Steve Sviggum and Robert Elde, dean of the college of biological sciences at the University of Minnesota, as well as a variety of scientists and researchers.

"We hope to strike some sparks to encourage development of a biotech industry here," said Dan Miller, Excorp's president and chief executive. "It's a consciousness-raising event; we can do biotech in Minnesota."

The centerpiece of Excorp Medical's technology is a bio-reactor device that uses liver cells from specially bred pigs to detoxify the blood of patients suffering from liver disease. The system, meant for use in hospitals' intensive care units, is designed to treat patients until their own livers recover or until liver transplants are possible.

Miller, a former lab manager at 3M Co. who has a Ph.D. in biosciences, thinks about 350,000 patients a year could benefit from the treatment. These patients include those suffering acute liver failure, those undergoing treatment for liver cancer and those in multiple organ failure. He thinks the market potential for a successful system to treat liver failure is estimated at more than \$7 billion per year in the United States and a comparable amount in Europe. (Go to www.excorp.com for more information on its device.)

The symposium will discuss the science behind the device, as well as other treatments for liver disease. But it will also talk about the roles of the universities of Minnesota, Wisconsin and Pittsburgh in developing it and bringing it to market — an illustration of how states in the central United States can collaborate to build a biosciences industry.

The industry is now dominated by Boston on the East Coast and San Diego and San Francisco on the West Coast.

"We need to take a regional approach and focus on growing the pie rather than slicing it up," Miller said. "We can hold onto the technology rather than watch it disappear to the coasts."

Several months ago, Excorp moved from 8,000 square feet of space in Oakdale to the research park. The building, owned by CSM Corp., used to be occupied by a medical device company called IntraTherapeutics, bought more than two years ago by ev3 Inc., a Plymouth-based medical device firm.

Excorp found the new space less expensive and more appropriate as a research facility and pilot-manufacturing site than its Oakdale space, Miller said. Also, it will be close to the clinical and biomedical research facilities of the Minneapolis and St. Paul campuses of the University of Minnesota and will provide opportunities for tax breaks and training

grants that are part of the lure of the state-sponsored biosciences zone. The company is in the midst of a "multi-state" search for a site for its first large-scale production plant, he said.

Excorp also is looking for opportunities in China, where complications of chronic viral hepatitis are a major cause of death. The company recently hired HS & Associates, an international consulting firm based in Ham Lake, Minn., to help in this search.

Given the need for liver treatments, biotechnology and medical communities in China have expressed an "enthusiastic response" for bringing Excorp's device to China, said Lili Pan of HS & Associates. The company would establish a separate set of research and production facilities to serve that market, Miller said.

Miller has spent years raising money from wealthy individuals to complete clinical trials and bring the product to market, a process made more difficult by the "skittish" investment climate after the Sept. 11, 2001, terrorist attacks. Miller said a year ago that Excorp would need to raise \$30 million to get his device through trials, but he declined to update that number. He thinks he will finally accomplish that goal by the end of this month.

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