

Morvus

Leading-edge oncology R&D in Wales: Bringing
next generation cancer treatments to market

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“We’ve found there is so much more to do in Wales. There are lots of attractions and country parks to visit, the beaches are close by and there are always lots of free events going on. It was easy to find a house to buy at an affordable price.”

Caroline, Morvus employee

Introduction

As a global-scale drug R&D company, Morvus needed a new base in the UK that had access to highly skilled people and leading universities and academics. The base also had to enable the company to maintain its networking with the scientific, regulatory and financial environment.

Thanks to IBW, Morvus found just such a base in Wales. With financial assistance and bespoke property services, IBW helped Morvus leverage financial and strategic advantages – and is giving ongoing support to help grow the business further.

Morvus is living proof that world-class bioscience firms can thrive in Wales.

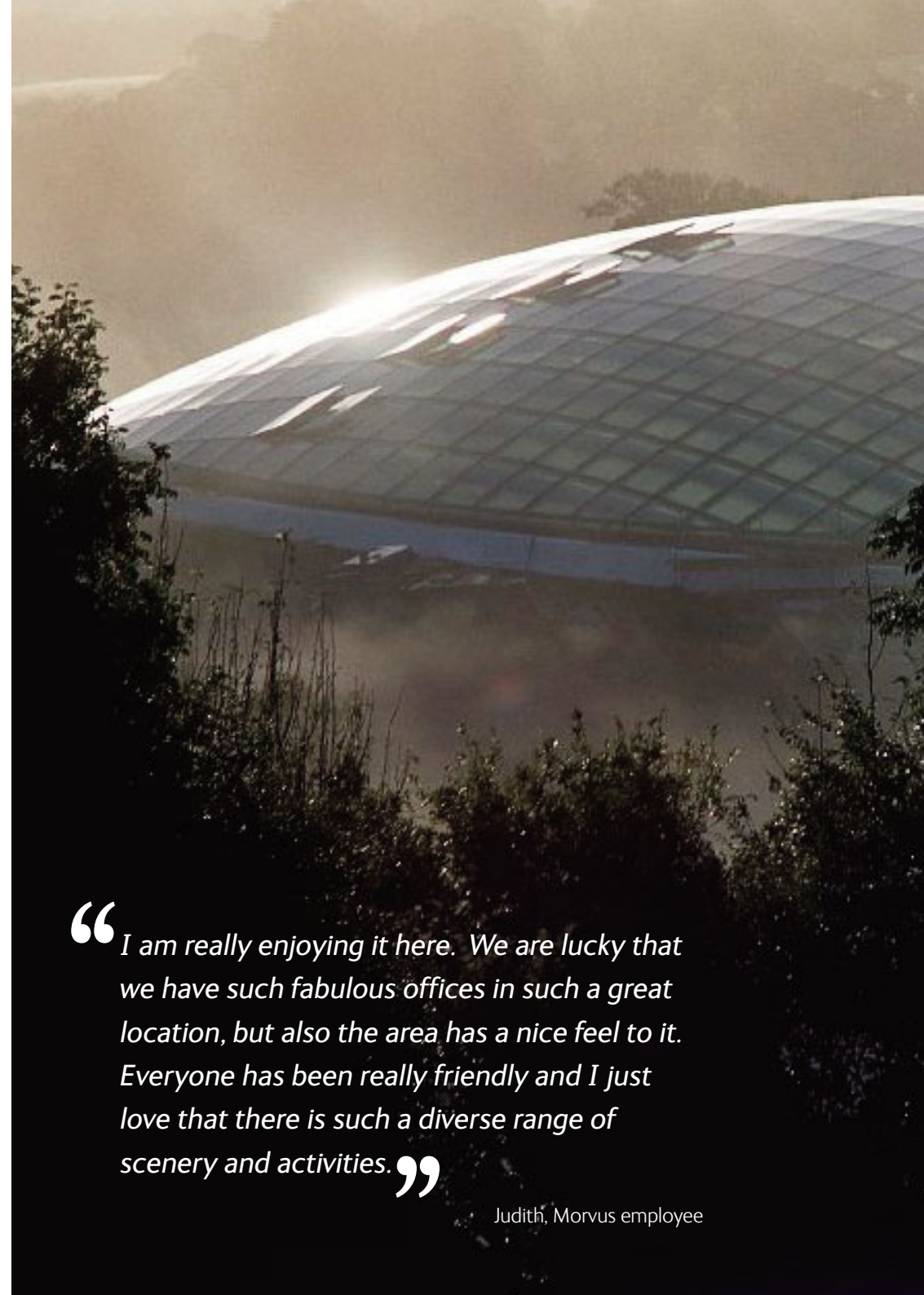
Background

Morvus is primarily an oncology R&D company established in 2004 by directors who between them have started over 20 companies and floated three.

Morvus uses three core technologies to develop new cancer drugs, prepare them for consumer trials and launch into the market.

- **Radio sensitisers:** fine spot beam gamma x-rays that treat tumours to stop them dividing, without damaging surrounding tissue. This technology uses a much lower dose of radiation to treat metastatic tumours than conventional treatments. Morvus is working with radiotherapy centres to implement this technology, which is expected in hospitals in 2009.
- **Small molecule nucleotides:** the nucleotide is given with a phosphate plus a decoy in an inactive form, and becomes active once inside a cell. This treatment is highly targeted and uses much less material than similar drugs.
- **Anti-angiogenic proteins:** based on a novel, hybrid molecule combining anti-angiogenic activity and endothelial cell regulatory activity. The protein comprises two functional sequences each with a different mode of action, making the drug work on solid tumours that don't respond to Avastin™.

Morvus started out at a facility in Porton Down, Wiltshire, but quickly outgrew the space. The company was investigating sites around the UK, and found that other bioscience hubs in England such as Cambridge were 'mined out' in technology, with too much competition.



“I am really enjoying it here. We are lucky that we have such fabulous offices in such a great location, but also the area has a nice feel to it. Everyone has been really friendly and I just love that there is such a diverse range of scenery and activities.”

Judith, Morvus employee

Relocating to Wales – families’ perspectives

“ I have moved to Wales as my partner has relocated here with work. I was able to find employment at the local hospital and the relocation was relatively easy. I find it very relaxing here in a rural environment. There many pretty places to visit at the weekends. People are friendly and helpful. Overall the whole experience has been worthwhile. ”

Coming to Wales – building new networks

IBW met Morvus at BioWales, the annual signature event to promote the bioscience sector in Wales. IBW offered Morvus several potential sites for relocation, but knew that one in particular would be perfect - the TechniumBio facility at the National Botanic Garden of Wales.

The executives at Morvus were initially hesitant about relocating as far away as Carmarthenshire – it was vital that Morvus build new links with academia, have access to skilled graduates, and also stay a central part of the scientific community.

But Wales proved to be up to the task in all these areas and more. Wales is becoming a major bioscience hub with 5* rated research departments, and excellent rail and air links mean the ‘golden triangle’ of Oxford, Cambridge and London can be reached in only a few hours.

In Swansea University’s Institute of Life Science Morvus recognised a relatively untapped source of cutting-edge research and specialist skills that can help them continue to develop new innovations and grow their business further.

And there are other factors that also persuaded Morvus – such as the exceptional quality of life, low house prices compared to the national average, and excellent facilities for Morvus staff and their families.

Many Morvus staff found the relocation to be smooth and seamless, thanks to relocation services from IBW such as arranging for parents to visit local schools, and helping to find accommodation.

IBW’s long experience in aiding relocation helps staff start on the right foot in their new lives.

Wales is all about advantage

- The best people, the best way of life – these are some reasons why Wales has the edge.
- **Skills:** Welsh universities produce over 12,000 graduates in bioscience-related subjects each year, with degrees including genetics, biomedical science and pharmacy. Many skilled scientists from Wales are now returning, to be part of the booming bioscience sector and enjoy the outstanding quality of life.
- **Quality of life:** Beyond work, Wales is a world away. With hundreds of miles of coastline and countryside, Wales is a magnet for active people such as walkers, surfers, mountain bikers and holidaymakers. And with sporting events such as world-class rugby, the FA Cup Final, Ryder Cup 2010 and Wales Rally GB, there's plenty to watch too.

IBW support – property and kit

IBW remodelled and kitted out the entire TechniumBio building for Morvus, including leasing a significant amount of equipment such as a Nuclear Magnetic Resonance machine, and mass spectrometry HPLC that massively increase the company's productivity.

As part of its ongoing support programme, IBW arranged a visit from a California-based venture capitalist – 'a great introduction which could help us raise money and gain contacts,' says Phil Burke.

“*The building is great – IBW had it modified to exactly our requirements.*”

Dr Phil Burke, Chief Executive, Morvus

IBW funding – attracting investment and highlighting acquisition targets

IBW offered Morvus a £1m grant that enabled the company to leverage further investment from the City.

IBW also played an instrumental role in identifying targets for two new acquisitions for Morvus. Cardiff ProTides and Cardiff Biologicals, companies based on the research of Professor Chris McGuigan and Professor Wen Jiang respectively, were both absorbed by Morvus. A £900,000+ investment from the Welsh Assembly Government and Morvus persuaded Cardiff Biologicals to spin out, and 9 months later Morvus acquired Cardiff Biologicals.

These deals generated £20m for Morvus.

Any new expansion carries with it associated risks. IBW is passionate about new ventures for qualifying companies and is willing to share that risk – not just through the provision of a high level of aftercare and business support – but also through significant flexible grant aid at the highest levels available in the UK.

Growth – supporting expansion and business development

Morvus has expanded massively since it moved to Wales. Starting its relocation with 5 staff, it now employs 20 people. And these are highly qualified technical staff, 90% of whom have PhDs. An RSA grant is now available to Morvus to help it grow to 50+ staff over the next 3-4 years.

The company recruits the very best people from Wales and all over the world, including Nigeria, Cameroon, Greece, and India. Being in Wales is proving to be no obstacle whatsoever to this expansion – in fact, the calibre of skills flowing into the company, and the outstanding quality of life you can enjoy in Wales are very appealing to new recruits, wherever they come from.

The lower operating costs that Morvus enjoys now that they have relocated to Wales means it can maximise its resources and focus on achieving new milestones. Morvus is now raising money, around \$600m, to fund lead programmes over the next two years for phase 1 and possibly phase 2 drug trials.

Expansion in Wales is a given, and the company has already had provisional agreement to expand beyond TechniumBio on the same site, and is looking to create a facility to incubate new companies in the near future. This continual innovation reinforces the potential for even further success in the future.

“*Everyone at IBW is very friendly and helpful. We’ve had lots of discussions and offers, like funding business trips abroad if we need it.*”

Dr Phil Burke, Chief Executive, Morvus

Morvus believes its new drug is significantly better than its nearest competitor, Avastin™, which itself generates \$200bn revenues a year. If Morvus’s new drug is successful, massive growth is in the pipeline at the Carmarthenshire site.

To find out how Wales could benefit your bioscience business:
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