

Hepatitis C Co. Tacere Launches With Seed Round

By Jonathan Matsey
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San Jose -- Tacere Therapeutics Inc., a biotech start-up focusing on Hepatitis C treatments, said it has raised an undisclosed amount of seed financing from Japan-based Hokkaido Venture Capital.

Based in San Jose and incorporated two months ago, Tacere traces its roots to Avocel Inc., a Sunnyvale, Calif.-based RNA interference therapeutics company acquired in 2004 by Benitec Ltd. a publicly-traded Australian biotech company which closed down its U.S.-based research facilities in June. Tacere was founded to house those research assets, said Avocel co-founder and Benitec chief executive, Sara Cunningham Hall. She is also Tacere's CEO.

"We've taken the core team back," Hall said. "And we have one year of research from Avocel and two from Benitec."

Hall has been joined by Chief Financial Officer Mike Catelani, who held the same position at Benitec, and by two people who now sit on Tacere's board: John Monahan, former CEO at Avigen Inc. and Amit Kumar, CEO of CombiMatrix Corp.

Tacere is in pre-clinical development with its lead compound, TT-033i, an RNAi-based treatment for Hepatitis C. Hall said that the company tentatively expects to file an investigational new drug, or IND, application with the Food and Drug Administration in 2008.

While Tacere's core expertise is in RNAi therapies, which use gene silencing techniques (tacere in Italian means "being silent"), Hall said that the company is in talks for a development deal with a drug developer to research small molecule therapies for Hepatitis C. She declined to name the company, but said the company has expertise with AIDS and other infectious diseases. The deal is expected to close in the next two months.

Since the development of small molecule therapeutics is better understood than with RNAi, a compound developed through that deal could be in human trials first, Hall said.

Tacere, with three employees, hopes to become more than just an RNAi company with the potential development deal. "The one-liner is that we're a Hepatitis C company," said Catelani. "In the broader picture, we're more an infectious disease company - we're not entirely defined by the therapeutic mode, we're defined by the target."

The seed financing is being used to purchase the intellectual property from Benitec and get operations up and running, Hall said. The company plans a larger venture round of \$10 million, she said, that should close in six-to-nine months. That round will likely come from larger, U.S. investors.

<http://www.tacerebio.com>