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New Haven-based Arvinas signs licensing deal with Novartis worth up to \$1B



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John Houston, president, CEO and chair of Arvinas.

By David Krechevsky

New Haven-based biotech Arvinas Inc. has signed a licensing agreement with Swiss drugmaker Novartis AG that could be worth up to \$1.01 billion, the company announced Thursday.

Arvinas, a clinical-stage company, is working on treatments for prostate and breast cancer. It has been focused on creating drugs that harness the body's natural protein disposal system to remove disease-causing proteins.

Under terms of the agreement, Arvinas will receive a \$150 million upfront payment to license ARV-766, its second-generation drug to treat prostate cancer. The deal also includes an asset purchase agreement to sell Arvinas' preclinical AR-V7 program to Novartis.

Terms of the agreement also require Novartis to be responsible for worldwide clinical development and commercialization of ARV-766, and the Swiss company will have all research, development, manufacturing and commercialization rights for the preclinical AR-V7 program, the companies said.

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Under the license agreement, Arvinas is eligible to receive additional development, regulatory, and commercial payments of up to \$1.01 billion, as well as tiered royalties for ARV-766, it said.

The agreement is subject to certain regulatory approvals, including the expiration or termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976.

"We believe the expertise and scale of Novartis will broaden the development of ARV-766 and its potential to be a first- and best-in-class treatment for patients with prostate cancer," said John Houston, Arvinas' chairman, president and CEO.

Goldman Sachs & Co. LLC is acting as the exclusive financial advisor to Arvinas.

Arvinas also has an ongoing collaboration with Pfizer to develop and commercialize vepdegestrant (ARV-471), a breast cancer drug candidate in phase 3 clinical trials.

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