

# **BUSINESS JOURNAL**

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## **CENTRAL NEW YORK**

OCTOBER 1, 2010.

## New company to focus on drug development

**By Kevin Tampone**

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SYRACUSE — The president of a Syracuse-based pharmaceutical consulting firm is launching a new business that could acquire and develop as many 15 early-stage drugs over the next three years.

Jeffrey Evans is leaving his former company, Rondaxe, to start Oncoholdings, Inc., which will also be based in Syracuse. Evans was president of Rondaxe and will serve as CEO at Oncoholdings.

The new firm aims to acquire early-stage anti-cancer drugs through means like intellectual-property licenses and acquisitions of whole companies, Evans says. The idea is to bring the young treatments through clinical trials and then spin the drugs to a larger pharmaceutical company that would take them the rest of the way to market.

Oncoholdings plans to acquire seven drug candidates in its first year, with the goal of 15 total over a three-year period.

The company is financed by individual investors. Evans says the firm is in the midst of raising additional funding now.

The business is partially a result of a unit that Evans' former company, Rondaxe, launched in 2009 to help clients find licensing and commercialization partners.

The opportunity for a firm like Oncoholdings exists largely because of the recession, Evans says. The slow economy has stalled venture-capital financing for pharmaceutical startups.

"The funding for early-stage clinical programs across the board has really dried up," he says.

"Funding in biopharma comes in one-year tranches. If the economy had turned around in 12 months, everything would have been fine. That didn't happen."

Even larger drug companies are reducing their spending on early-stage development in favor of later-stage work, Evans says. Many of those businesses are facing patent expirations on top-selling drugs in the coming years, he adds.

Young startup companies with potentially strong drug candidates now have no way to get them to market, Evans says. The idea is for Oncoholdings to find the best of those ideas and develop them further.

"By virtue of the major pharmaceutical companies pulling back, this is creating buyers for us two to three years down the line," Evans says.

While a traditional pharmaceutical startup tends to focus on one potential drug or treatment, Oncoholdings will work with multiple top-tier drug candidates. That reduces risk for investors, the company says.

In addition, the firm's team and advisory board includes members with long, deep experience in the pharmaceutical world.

Before Rondaxe, Evans worked for 10 years at Bristol-Myers Squibb. Other members of the team have worked with drug companies and in venture capital around the country and world. Oncoholdings has four employees with an expected staff of six by the end of the year. The company will operate virtually to start with other employees in San Francisco and Arizona, Evans says.

Evans is currently the only employee based in Syracuse.

The firm will have offices in Scottsdale, Ariz. in shared space with TGen Drug Development Services (TD2). TD2's president, Dr. Stephen Gately, will serve as a member of Oncoholdings' scientific advisory board.

The Scottsdale space is in a satellite location of the Mayo Clinic and will be used to conduct clinical trials. Evans says he is hopeful some of those trials could take place in Syracuse in the future as well.

With Evans now concentrating full time on Oncoholdings, Kenton Shultis will take over as CEO at Rondaxe.

The firm will continue working on consulting projects with drug companies, he says. Because of the economy, Rondaxe has been undertaking more strategic projects for its clients.

A manufacturer of generic drugs might ask Rondaxe if it should continue making a given compound, for example, Shultis says. Alternatively, a manufacturer might ask the firm to evaluate its technology in comparison with competitors.

Shultis says Rondaxe is also looking to expand in areas like diagnostics.

"Clients need to develop diagnostic tools to go along with therapies," he says. "Those programs need to be coordinated. We see that as being an important place we need to strengthen ourselves."

Rondaxe, founded in 2003, employs 12 people and works with dozens of other consultants on a project basis. The firm is based at 100 Intrepid Lane and also has an office in the Albany area.

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