KC-area pharmaceutical startup sells to San Diego company

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A Lenexa pharmaceutical startup sold on Jan. 11 to a San Diego company that will carry its products into clinical trials.

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Dr. Vernon Rowe is the founder of Verrow Pharmaceuticals Inc. He also owns the owns Lenexa-based private practice Rowe Neurology Institute.

Dr. Vernon Rowe, a neurologist who also owns Lenexa-based Rowe Neurology Institute, created Verrow Pharmaceuticals Inc. in 2008. Ligand Pharmaceuticals Inc. (Nasdaq: LGND), a company that advances pharmaceutical products through the drug development process, acquired the company for $2 million in cash plus earnouts.

"It's the dream of every startup pharmaceutical company, to be acquired by a company that's mature enough to be able to take the technology into the clinic and conduct clinical trials," Rowe told the *Kansas City Business Journal*.

Through his research, Rowe had discovered a way to reformulate medications to minimize kidney damage as a side effect.

It started with, methotextrate, a drug that suppresses the immune system and has been tested as a potential way to slow the progression of multiple sclerosis. However, the drug can cause kidney damage.

"We tried to make it safer for kidneys. In doing that, we found a way to make a lot of drugs safer for kidneys." Rowe said. "You recognize a problem in bedside and bring it back to the lab to try to solve it."

One offshoot of that research has potential for a number of specialties including oncology, neurology and cardiology. One of Verrow Pharmaceuticals' patents is for a version of iodinated contrast agents that is not damaging to kidneys. The contrast is used to make blood vessels more visible in X-rays; about 5 million cardiology procedures each year use it.

"It'll be a game changer for a lot of folks that have to undergo arterial interventions," he said.

The acquiring company stated that 20 million imaging procedures each year use iodinated contrast agents, which currently amounts to about $1.5 billion in annual sales.

Verrow Pharmaceuticals conducted preclinical trials of the contrast, and began conversations with the Food and Drug Administration. Elizabeth Rowe, COO of Verrow Pharmaceuticals, said the acquisition would help carry the product into early stage clinical trials. If those prove successful, the San Diego company may license it out for late-stage clinical trials.

The primary ingredients in the reformulation are already FDA approved, Elizabeth Rowe said, leading to shorter trials.

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