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## TCG inks strategic deal with Forest Laboratories Holdings

TCG Lifesciences has entered into a strategic alliance with Forest Laboratories Holdings, a wholly - owned subsidiary of \$2.8 billion Forest Laboratories inc., to discover a small molecule drug for inflammatory diseases.

TCG Lifesciences' chemistry and biology research arm, Chembiotek, will work closely with scientists from Forest to identify and optime the lead molecules. A media release issued by TCG Lifesciences said the TCG-Forest research partnership will focus on Chembiotek's capabilities in chemistry, biology and animal pharmacology.

Forest will retain ownership of the compounds, developed under this collaboration, with worldwide rights and fund all subsequent drug development and commercialization activities. However, Forest will pay Chembiotek and undisclosed discovery milestone as the product successfully progresses through the research process.

For lay readers, here's what a 'milestone payment' is all about in the pharma realm. Incidentally, a new drug development is a complex process and once the lead molecule is identified, it takes another five to seven years for the product to be commercialised through several stages of research. As the lead molecule completes its stages of research, the innovator company pays the 'collaborator firm' a huge sum which is called the 'milestone payout'.

Forest Laboratories Senior Vice-President (Scientific Affairs) Ivan Gergel said in the media release: "This collaboration is part of our continued commitment to fill our early stage pipeline through discovery partnerships." Forest Labs is based out of New York and owns popular brands like Lexapro, Benicar and Namenda.

TCG Lifesciences Managing Director, Swapan Bhattacharya said: "In addition to our strong chemistry capabilities, we have developed strong biology and computational skills in the contract research space. This transaction with Forest represents the fourth integrated discovery project we have signed this year."

Incidentally, Forest Labs, earlier this year, had entered into a smaller research partnership with Bangalore-based Aurigene Discovery Technologies for obesity and metabolic disorders. As a part of the agreement, Aurigene could receive over \$60 million in development and sales milestone payments if a compound is successfully commercialised.