



SA biotech acquires majority stake in Michigan company

StemBioSys Inc., a San Antonio-based biomedical company that manufactures and develops advanced stem cell technologies, has struck a new deal.

It has bought a majority stake in Cartox Inc., a privately held biotech startup headquarters in Ann Arbor, Michigan, that develops innovative assays for high throughput screening of human cardiotoxicity, or heart muscle damage sometimes resulting from patients' use of chemotherapy drugs or other medications. The company's patent pending technologies utilize human stem cells derived cardiomyocytes, or heart muscle cells, for detecting potential cardiotoxicity, which can also be caused by environmental toxins and genetics.

StemBioSys will acquire all remaining equity in Cartox. The deal is subject to the achievement of certain milestones, company officials said.

"We have been working with the Cartox team and the researchers at the [University of Michigan](#) for over two years," StemBioSys CEO [Bob Hutchens](#) said. "Through our combined efforts to date, we have demonstrated that the novel form of our matrix addresses an important unmet need in drug safety screening."

Cartox has developed an innovative approach to test cardiac safety of new drugs before those drugs are given to human patients in clinical trial programs. That technology was initially developed at the University of Michigan by Dr. [Todd Herron](#) and Dr. José Jalife, who formed the company.

StemBioSys officials said they plan to take Cartox's novel technology to market. Hutchens and others believe what the company brings to the table holds significant commercial promise for applications in both pre-clinical cardiotoxicity testing as well as the potential to revolutionize the cardiac drug efficacy screening process.

"The U.S. [Food and Drug Administration](#) has been working to identify new technologies for cardiac safety testing for over five years," Hutchens said. "We believe that by combining forces with Cartox, we can offer regulators and the marketplace a unique end to end solution to address this important issue."

Over the last two years, the two companies have been working together on an application of StemBioSys' extracellular matrix technology. Researchers at Cartox demonstrated that a form of StemBioSys technology offers a unique environment for cardiomyocytes that are used in drug safety testing. The companies have continued to work together to further develop this technology.

The plan is for StemBioSys to drive the overall product development and commercialization effort of the two company's respective technologies.

[Todd Herron](#), president and CEO of Cartox, said collaboration with StemBioSys' scientific and management teams has allowed the Michigan company to advance its work in pre-clinical cardiotoxicity screening assays.

"These improvements provide a solution that FDA regulators, pharmaceutical companies and researchers have been searching for to improve the predictive power of pre-clinical safety screening using human cells," he said. "This represents a big step towards reducing, refining and replacing the use of animals in the drug discovery and toxicity testing fields."

StemBioSys Chairman [Cathy Burzik](#) expects the deal will have international implications.

"The acquisition of Cartox advances StemBioSys' ability to provide drug screening and drug toxicology testing to pharmaceutical companies globally," she said.

Source: <https://www.bizjournals.com/sanantonio/news/2020/01/08/sa-biotech-acquires-majority-stake-michigan.html>

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