Interview: Markwin Velders – Vice President Operations Europe, Kite Pharma, The Netherlands



02.11.2015

Tags: pharma, pharmaceuticals, The Netherlands, Markwin Velders, Kite Pharma, life sciences, r&d, biotech, BioBusiness Masterclass, HollandBIO, startups, research, innovation, Netherlands Cancer Institute, Dr. Franz B. Humer, T-Cell Factory, chimeric antigen receptors, executive insight, executive interviews

The Netherlands provides a flourishing environment for biotech to grow. The vice president for European operations at Kite Pharma discusses how biotech start-ups can find their path to success and how Kite Pharma is looking at new innovative therapies for cancer treatment.



Before joining T-Cell Factory, later acquired by Kite Pharma, Inc., you had your own company, Prime Life Science, providing management consultancy in life science with a special attention to technology starters. What were the main lessons you learned from that experience?

I have come to realize that it's difficult for many scientists to make the step towards the commercialization of life science products. There are two inherited problems: first, many scientists

lack the experience and know-how required to bring a product to the market; second, universities are mainly focused on translational research and have limited knowledge about what it takes to make a life science spin-off successful. Most academic institutions do have departments that help spin off companies, but in my opinion many people working there have limited experience and only a few institutions are able to hire experienced entrepreneurs to help them. Once a project becomes more commercial, I have also noticed that people want to stay involved, but do not want to give up their academic position. Hence, they have to commit to two things and balancing can at times be difficult.

So what do you think are key factors to help biotech start-ups particularly here in the Netherlands?

I think we need experienced people to educate scientists about start-ups. Fortunately, today the BioBusiness Masterclass from HollandBIO features a lot of training in this field; this helps people put things into perspective and makes them understand it will be different from what they have experienced at university, sometimes not even comparable. I think it's very useful, as it makes people realize if they are fit or not to take such a step. What we also miss is the magnetic attraction towards one institute, while we need more and better distribution of funding. The Pre-Seed Grant of the Netherlands Genomics Initiative (NGI), for instance, was a very good program but stopped. The Dutch government tends to spread the funding equally over different areas, but sometimes it gets to people that have limited experienced and aren't always able to take full advantage of it. If you invest in high-quality translational research, you will attract funding that will attract investors, that will attract pharma companies, that will attract biotech companies — it's a virtuous circle.

The Dutch are known for their collaborative spirit. What is the importance of collaboration for the industry?

I think it is very important and there should be much more. Looking at start-ups I think the most viable way to initiate them is to establish them as product companies and make them work together with the academic group they come from. Especially in the pre-clinical phase, there should be tight bonds with the university in terms of know-how, technology, and translation. I think such product companies should not need a full management team, but only be project driven, as they are easier to run. It would be much cheaper and less risky to develop potential products to a certain level by having low-profile funds investing into project-driven product development very closely connected to universities and taking advantage of their know-how, infrastructure, and facilities. Once you have reached a certain level of development, it's much easier to attract larger

investors.

Have you seen any movement in this direction in the Netherlands?

I have seen some new start-ups still well connected to universities and funding collected around them. Some colleagues, for instance, are going to manage five start-ups with experienced people. In this way you do not have to put a CEO on each firm and you have a team with a track record that can manage several companies. Also, I'm seeing more service agreements among institutions. Kite Pharma has benefited a lot from the collaboration with the Netherlands Cancer Institute (NKI). We have access to their facilities and most of our people actually come from the institution. Having every single biotech investing in high-tech equipment would be a waste of resources.

Dr. Franz B. Humer, the former chairman and chief executive of Roche, joined Kite Pharma's board of directors in September 2015. What is so unique about Kite Pharma?

T-Cell Factory (TCF) was a Netherlands-based biotech company that started its activities in August 2014. In March 2015 all our shares were acquired by the US-based biotech Kite Pharma, Inc. and our company was renamed into Kite Pharma EU. Today we are a daughter company of the US, but an independent legal entity. The uniqueness of Kite Pharma is that it has helped open a new field of cancer therapy, previously thought to be impossible and based on a personalized treatment of cancer using a patient's own T cells, or white blood cells, which are engineered to recognize and destroy the cancer. Clinical results in limited patients show it is a promising therapy and investors as well as the industry are very keen to get it to the market. As just one example, Dr. Humer believes in the therapeutic promise and would like to contribute to the success story.

What is the main role of the Dutch affiliate of the company?

Today we are acting as a research department of Kite Pharma, Inc., mainly focusing on the development of the T cell receptors pipeline. This is based on technologies that originate from NKI and the Technical University of Munich. Kite Pharma, Inc. is also focusing on development of new chimeric antigen receptors (CARs), which are engineered T cell receptors with the variable part of an antibody. Both technologies use the same platform developed by Kite Pharma for transducing patients' T cells with a new receptor specificity.

We also help identify production facilities and make connections for clinical trial development thanks to our experienced team. We can facilitate the company's step into Europe. Yet, our main goal now is research and use of our technology to identify large numbers of T cell receptors against specific antigens in tumor cells.

Following in the footsteps of the T-Cell Factory, Kite Pharma has strengthened its relationship with the NKI. What is the exact nature of this collaboration?

It's basically two-fold: on the one hand it is based on a service agreement to access facilities and know-how; on the other, we partner on the development of T cell receptors. The NKI had already identified T cell receptors previously, and we have the opportunity to get a worldwide exclusive license on these T cell receptors.

Will Kite Pharma be looking to develop collaborations with other institutes in Europe in the future?

It's hard to predict at this moment. Kite Pharma is always looking at new technologies.

Where would you like to see Kite Pharma Europe in five years from now?

We want to fill a rich pipeline with T cell receptors against a variety of tumors for different HLA haplotypes covering 95 percent of all patients with specific tumors. We are looking into implementation and market approval for our current development drugs in the US and in Europe. If this happens, both Kite Pharma US and Europe will expand their presence and collaborations.

On a more personal note, you seem very passionate about helping biotech in the Netherlands. What are your goals for the future in this regard?

I try to support initiatives whenever it's possible, on a personal note or through Kite. It's important we keep going the road we are currently going, especially by showing people what to do and making funding and facilities available — showing it's possible. It's also important to attract more investment and qualified people to the Dutch biotech scene. I really think it can happen. 2015 has been an amazing year for the Dutch biotech sector, and I'd like to see the same in the coming years. I know some people are thinking of setting up a Netherlands Institute for Biotechnology and continuing the BioBusiness Masterclass, even without the support of the NGI — that would be good. Also, I'd like to continue help US companies settle in the Netherlands, by attracting investment and good talent, as it is crucial for this industry to grow.

Science in the Netherlands is competing at the highest level in terms of publications. If you are looking for technology and science, here is the place. We just need to get more of the US spirit that things can work out. The country has the capabilities to make it happen: you need money to get the wheel going, but once it's going it's for good.

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