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VAXIN PLANS TO HIRE UP TO 12 AFTER LANDING ANTHRAX VACCINE CONTRACT

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After cutting its staff down to about five key members at the height of the recession, Birmingham-based Vaxin Inc. will hire up to a dozen new staffers, company officials have announced.



The news comes days after the 13-year-old biotech company with labs at Birmingham's Innovation Depot garnered the largest biotech contract in the incubator's short history.

The Office of Biomedical Advanced Research and Development Authority has awarded Vaxin a \$21.7 million contract to complete development of its proprietary anthrax vaccine, AdvAV, and test its effectiveness in human subjects.

The nasally administered vaccine has already shown promise in animal studies, providing anthrax protection to mice for more than a year with a single dose. Current vaccines require five injections over an 18-month period to achieve full protection.

"This is a significant improvement over what's available if we can continue to see those kinds of data as we move forward," said Bill Enright, Vaxin president and CEO.

The four-year government contract, routed through the U.S. Department of Health and Human Services, pays Vaxin \$14.7 million over the next two years to optimize its manufacturing process for producing the new drug. It offers another \$7 million for human trials.

After that, Vaxin stands to make considerable long-term revenue producing the drug for public-health stockpiles, as well as military and other first responders. The current provider of anthrax vaccines had revenues of roughly \$235 million last year.

Enright said the new contract will allow the company to re-staff, hiring 10 to 12 new staffers within 30 to 60 days.

During the recession, Vaxin cut its staff from about 15 employees to about five in an effort to keep the company afloat as investments dried up and competition for grant funding increased.

“We’ve been able to survive, unlike many biotechs,” Enright said. “Because of the economy, people are not investing where there’s a risk involved.”

Founded in 1997 with venture capital from Redmont Venture Partners, Vaxin derives all its revenue through research and development, unlike several hybrid companies at the depot that also derive service-based revenue in early development.

“Obviously, because of the size of this contract, the government feels that Vaxin has a unique and viable – and they do – proprietary anthrax vaccine that warrants and justifies final testing in humans and manufacturing,” said Devon Laney, the depot's chief operating officer.

Vaxin is a spinoff from the University of Alabama at Birmingham, founded by former UAB faculty member De-chu Tang with technology for vaccines and medicines administered through skin patches.

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