



Oslo Cancer Cluster

RESULTS

ANNUAL REPORT 2010

FROM

FROM CANCER RESEARCH TO CURE

2010



Norwegian
Centres of Expertise



FULL SPEED AHEAD

Oslo Cancer Cluster continues to expand in terms of new members, major activities and results. And we continue to travel at full speed ahead, doing what we can do to accelerate the development of new cancer treatments.

“2010 was a year full of surprises and good news for Oslo Cancer Cluster. We are an ever-changing cluster, constantly moving and changing, which is challenging and fulfilling at the same time,” says Jónas Einarsson, Chairman of the Board of Oslo Cancer Cluster.

The Oslo City Council’s green light for the Oslo Cancer Cluster Innovation Park was one of many highlights last year, but maybe the most crucial one. Physical integration of the whole value chain in oncology is the next step in strengthening Oslo Cancer Cluster’s vision: “Improving the lives of cancer patients by accelerating the development of new cancer diagnostics and medicines”. This was also stated in Oxford Research’s positive three-year evaluation of the Oslo Cancer Cluster.

Einarsson is also CEO of the Radium Hospital Research Foundation, a foundation that invests in oncology biotech start-ups.

“In 2010 we invested in four new oncology biotech companies pioneering world-class oncology research from major research institutions in Oslo. I feel very positive for these new companies. They represent a new wave of start-ups 10 to 15 years after companies like Algeta, Photocure and Clavis were established,” says Einarsson.

These new companies show that the oncology biotech industry in Norway is flourishing. At the same time, the more established companies achieved major milestones in 2010: Photocure received FDA-approval for their drug-device combination procedure for detecting bladder cancer. Clavis Pharma signed a deal with Clovis Oncology on an extended partnership estimated to be worth \$205 Million. Progress for PCI Biotech’s first phase I/II study was excellent, making headlines in the largest Norwegian newspaper. And DnB Nor Markets stated that Algeta is the most promising biotech company in the Nordic region.

“Despite all the good news, we continue to work hard. There are major challenges ahead such as attracting capital for the oncology biotech industry and overcoming regulatory hurdles. These are some of the challenges we will focus on in 2011,” says Einarsson.

DEDICATED ONCOLOGY CLUSTER

“We are committed to improving the lives of cancer patients by accelerating the development of new cancer diagnostics and medicines.”

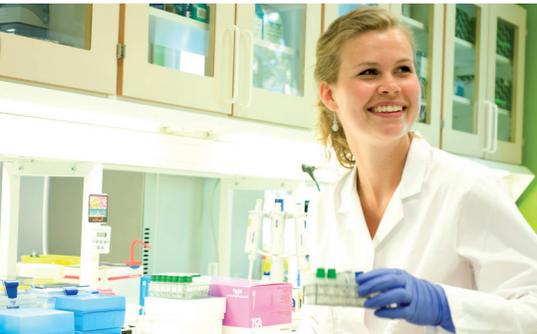


Photo: Linda Cartridge



Photo: Oslo University Hospital



Photo: Istockphoto

Oslo Cancer Cluster is an oncology research and development cluster dedicated to accelerating the development of new cancer diagnostics and medicines.

Oslo Cancer Cluster was established in 2006, and has more than 60 members from all over Scandinavia. Our members comprise small biotechnology companies, large pharmaceutical companies, university hospitals, biobanks and registries, technology transfer offices and academic research institutions.

Our strategy: We will accelerate the development of new cancer diagnostics and medicines through:

1. cluster collaboration and partnership
2. attracting capital
3. decreasing clinical development timelines
4. accelerating innovation in the Oslo Cancer Cluster Innovation Park



Photo: Istockphoto

THE BOARD OF OSLO CANCER CLUSTER

The Board of Oslo Cancer Cluster is made up of nine skilled and competent board members that reflect the oncology value chain from research to big pharmaceutical companies.

Chairman of the Board:
Jónas Einarsson - CEO of the Radium Hospital Research Foundation

BOARD MEMBERS:



FROM LEFT: Bjørn Klem Project Director, Photocure ASA, Håkon Sæterøy Chairman of the Board, Skannex AS and Chairman of the Board, Epitarget AS, Hanne Mette D. Kristensen CEO siRNAsense and Vice President, Oncology, Bio-Medisinsk Innovasjon AS, Jónas Einarsson CEO of the Radium Hospital Research Foundation, Tone Ikdahl Head of Department, Cancer Clinic, Oslo University Hospital, Ullevål, Gunnar Sæter Global Director of Scientific Affairs, Oncology, MSD and Kaare R. Norum Professor Emeritus, University of Oslo. Ragnhild Lothe Professor, Oslo University Hospital, Radium and Henrik Lund CEO, Bionor Pharma ASA and Chairman of the Board, Diagenic ASA was not present when the picture was taken.



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RESULTS FROM 2010



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EXCELLENT 3-YEAR EVALUATION

Some highlights from the report:

- ① strong cluster organisation
- ② regular meeting places established for competence sharing and networking
- ③ good trust and embedment in the cluster
- ④ relations to strong international environments
- ⑤ excellent reputation, both nationally and internationally
- ⑥ The Clinical Cancer Research Unit at Oslo University Hospital, Radium has been strengthened
- ⑦ The Oslo Cancer Cluster Innovation Park is about to be implemented and is important for further developing the cluster
- ⑧ good in profiling – slightly less successful in attracting capital

Oslo Cancer Cluster has positioned itself as one of twelve “Norwegian Centres of Expertise” (NCE) appointed by the Norwegian government. Every third year, the NCE – programme evaluates Oslo Cancer Cluster to decide whether we are performing in accordance with the standards set for the NCE`s and with our own goals and strategy.

Oslo Cancer Cluster received NCE-status in 2007, hence our first evaluation was performed in 2010. The evaluation report prepared by Oxford Research: “*Vitalt om kreft, evaluering av NCE Oslo Cancer Cluster*” is positive overall and states that Oslo Cancer Cluster is a well-functioning cluster. However, there are some challenges ahead, such as attracting capital.

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14 NEW MEMBERS

Oslo Cancer Cluster expanded with the inclusion of 14 new members in 2010. We now have more than 60 members from Norway, Sweden, Denmark and Scotland.

Investors:
Birk Venture
Sarsia Seed

Pharma:
Boehringer Ingelheim
Janssen – Cilag
Celgene

Biotech:
Nordic Nanovector
Bionor Pharma
Immunopharma

CRO:
Nexus Oncology
Link Medical Research

Education:
Centre for Entrepreneurship,
University of Oslo

Research institution and Contract Manufacturing Organization:
Norwegian Institute for Public Health, Department for Biopharmaceutical Production

Communication:
Geelmuyden Kiese

Analysis:
Pattern Solutions

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HIGHLIGHTS FROM OUR MEMBERS IN 2010

PCI Biotech made headlines

"Norwegian medical sensation: remove cancer with light – the tumours almost fell off" was the headline on the front page of VG to describe PCI Biotech's result from their phase I/II study at the University College of London (UCL).

www.pcibiotech.no

Biomolex best in Europe

Biomolex AS went all the way to the top of the Eurostar (EU) programme for technology companies in collaboration with Swedish organisations Bioinvent International and University of Lund.

www.biomolex.com

Photocure with FDA Approval

Photocure acquired FDA approval for their drug-device combination procedure to detect bladder cancer in May 2010. The diagnostic tool is named Cysview(TM), and is already being sold in 21 European countries and Korea under the brand name Hexvix®.

www.photocure.com

Another good deal for Clavis

Clavis Pharma signed an agreement with Clovis Oncology on an extended partnership in November 2010. The deal is estimated to be worth \$205 Million.

www.clavispharma.com

Two second places in IMI oncology calls

Several members of the cluster joined international consortia to apply for funding from Innovative Medicines Initiative (IMI). IMI is Europe's largest public-private initiative aiming to speed up the development of better and safer medicines. Two consortia were ranked 2nd in very competitive calls – an important recognition of the R&D strength and innovation potential.

www.imi.europa.eu

Record attendance

The 21st Meeting of the European Association for Cancer Research took place in Oslo in June 2010. With a record number of almost 1,400 participants, the meeting was a great success.

Affitech with Russian deal

Affitech entered into a research and development collaboration with LLC NTS Plus from Russia. Simultaneously, Trans Nova Investments Limited, with the key beneficiary being Mr Viktor Kharitonin, Chairman of Pharmstandard, made an equity investment of €20.9m in Affitech.

www.affitech.com

Algeta: Most promising Nordic biotech

DnB Nor Markets stated in a report published in June 2010 that Algeta is the most promising biotechnology company in the Nordic region. Algeta continued to deliver excellent results throughout 2010, and now manufactures Alpharadin at Oslo's Institute for Energy Technology (IFE).

www.algeta.com

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ECCP2010: UNIQUE ONCOLOGY PARTNERING EVENT



Photo: Linda Cartridge

Almost **400** people from **21** different countries and **203** companies had over **500** one-to-one meetings and attended a broad programme with an international range of speakers addressing the key issues in translational oncology.

Save the date for ECCP2011: 14 – 16 September, Toulouse, France: www.ecc-partnering.com

The second European Cancer Cluster Partnering event in Oslo was a great success. ECCP is a joint venture between the Oslo Cancer Cluster and the French Cancer Cluster Cancer Bio- Santé

from Toulouse, and the conference is held in Toulouse and Oslo every other year. The participants come from the entire oncology value chain and the key features of the event are networking,

partnering and inspiring lectures from key opinion leaders from the oncology community. General feedback from the attending companies seeking partners is that partnering is easier and more

fruitful than at other conferences due to the focus on oncology and the size of the event. Also the quality of the participants is very good.

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OSLO CANCER CLUSTER INNOVATION PARK



Dark Architects

The fundamental idea behind the Oslo Cancer Cluster Innovation Park is to gather the whole oncology community in Oslo together at Montebello, where the renowned Oslo University Hospital, Radium, is located today, in order to further strengthen the vision of the Oslo Cancer Cluster: “Accelerating the development of new cancer diagnostics and medicines.”

In the fall of 2010 the Oslo City Council gave their permission to tear down Ullern High School and build the Innovation Park integrating the high school. There has been broad political support for the Innovation Park in Oslo, and the politicians have in general praised the concept behind the park and the added value the Innovation Park will provide the city of Oslo.

The Oslo Cancer Cluster Innovation Park will be built on a total of 32,000 m², housing Ullern High School, the Cancer Registry of Norway, several of the members of the Oslo Cancer Cluster and an oncology biotech incubator. The Innovation Park will open in August 2013.



Dream comes true

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Photo: Camille Krogsæter

EDUCATIONAL COLLABORATION WITH ULLERN

Oslo Cancer Cluster and Ullern High School collaborates closely to educate tomorrow's researchers and entrepreneurs in the concept of "The School of the Future." This collaboration is due to the future integration of the Ullern High School within the Oslo Cancer Cluster Innovation Park.

The students at Ullern are entitled to several extra educational opportunities resulting from the collaboration, and more activities will be developed and put into practise in the years to come. 2010 was the first year the biology students had mini-internships at the Oslo University Hospital, Radium to gain practical experience. The students worked in real laboratories on real research questions supervised by real researchers. GründerCamp is another activity targeting the students of economics and entrepreneurship. Another activity is lectures given by individuals that work in the various companies that are members of the Oslo Cancer Cluster.

In the years to come the educational collaboration will include the media and communications students and the health students as well.

www.ullern.vgs.no

BIOACCELERATING COURSE

In collaboration with Centre for Entrepreneurship at University of Oslo, the Oslo Cancer Cluster organizes BioAccelerator each year.

This is a full semester focusing on innovation and entrepreneurship, using case studies and internships in Oslo Cancer Cluster member companies. For the students this is an unique opportunity to work on real challenges in some of Norway's most exiting biotech companies.

In 2010 the students worked on case studies for Hunt Biosciences, Vaccibody and Scannex.

Per Foss, CEO of Hunt Biosciences, states that the work that was carried out by the students has been valuable input for the strategic work of the bio bank. The students working for BHUNT were asked to analyse how bio banks may be vital in drug development in general, and specifically how HUNT Biosciences may use this knowledge to position themselves in the market.



Photo: iStockphoto

www.sfe.uio.no

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BIO 2010: THE OSLO CANCER CLUSTER DOMINATED THE SCANDINAVIAN PAVILION



Photo: Entre Marketing Oy / Ltd

**Come visit us at the Scandinavian Pavilion at BIO 2011:
Booth number 4525.**

The Oslo Cancer Cluster attended BIO International Convention, the world's largest biotechnology conference, for the fourth time in 2010.

The Oslo Cancer Cluster exhibited in the Scandinavian Pavilion. With fourteen of the twenty posters from the Norwegian delegation, the Oslo Cancer Cluster was the largest exhibitor in the Pavilion with the following members promoted at the stand; Biomedisinsk Innovasjon AS, Biomolex AS, Birkeland Innovasjon AS, DiaGenic, HUNT Biosciences, Lytix Biopharma, Medinnova, Norwegian Institute of Public Health, PCI Biotech, Photocure ASA, Stricent AB, The Cancer Stem Cell Innovation Centre (SFI/CAST) and Vaccibody. All the companies were active in the partnering events during the conference.

For the third year, Oslo Cancer Cluster and Cancer-Bio-Santé organized a partnering breakfast at the opening day of BIO. Companies from both clusters presented themselves to major pharmaceutical companies and international investors.

BIO 2010 was a successful event for the attending companies; it extended their international contacts and business partnerships and they were able to establish contact with related oncology environments internationally. The Oslo Cancer Cluster companies were also featured several times in the daily conference newspaper "Bio Show Dailies".

We will celebrate our fifth anniversary at the BIO International Convention 2011 in Washington D.C.

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SHORTENING CLINICAL DEVELOPMENT TIMELINES



Photo: Thea Tennesen, Oslo University Hospital



Photo: Linda Cartridge

The Clinical Cancer Research Unit at Oslo University Hospital is one of Scandinavia's leading facilities for early phase clinical trials. In order to strengthen the unit and shorten the clinical development timelines, the Oslo Cancer Cluster achieved three vital milestones in 2010:

- the Oslo Cancer Cluster **increased capacity** at the research unit by sponsoring **1** oncologist position.
- the government work aimed at strengthening cancer research peaked when the Norwegian Government granted MNOK **19.5** for clinical trials in oncology from the national budget. The Research Council of Norway will distribute these funds through one of their research programmes.
- The Cancer Society's annual fundraiser campaign "Krafttak mot kreft" granted MNOK **4** to the infrastructure for clinical cancer research.

Oslo Cancer Cluster hosted Meetings

Date	Name of event	Attendees
January	Cancer Crosslinks 2010	203
February	R&D Network at The Norwegian Cancer Registry	40
March	R&D Network on co-operation with Pharma at GlaxoSmithKline	41
June	R&D Network on Innovative cancer diagnostics	38
August	OCC Summer Networking Party	94
September	ECCP2010 Oslo	400
October	Oslo Innovation Week: Biomedical Day Joint collaboration with Nansen Neuroscience Network and Oslo Medtech	50
November	CEO summit	54
December	Nordic Health Care Conference Venture Session. Joint collaboration with DnB Nor Markets, SigmaFondene, Nansen Neuroscience Network and Oslo Medtech	300

International and national conferences Oslo Cancer Cluster attended:

AngloNordic, London, England: April – Gold Sponsor
 BIO, Chicago, USA: May
 EXPO Shanghai, China: May
 EACR 2010, Oslo, Norway: June
 Onkologisk Forum, Tromsø, Norway: November



Photo: Thea Tønnesen, Oslo University Hospital

Cancer Crosslinks 2010 attracted around 200 participants from all over Norway to the New Research Building at Radium Hospital.

Building on the success of the first event in 2009, Cancer Crosslinks is now established as an annual meeting place for Norwegian researchers and clinicians to present and discuss the latest in oncology research and its clinical implications. The programme had two core sessions focusing on resistance and immunotherapy that featured excellent presentations, sharing recent research and clinical results and actively addressing the interface between oncologists and haematologists.

The interdisciplinary audience enjoyed stimulating discussions and opportunities to mingle and the compact one day meeting was rounded off with a vibrant networking evening allowing participants to strengthen existing and build new relationships. The meeting also attracted many representatives from the Oslo Cancer Cluster's member companies which contributed to stimulating exchanges between the academic, clinical and commercial representatives.

Cancer Crosslinks was organised in partnership between the Oslo Cancer Cluster, Bristol-Myers-Squibb and Clavis Pharma, and is a good example of member-initiated activities.

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GREAT MEDIA COVERAGE IN 2010

The Oslo Cancer Cluster monitors media coverage nationally and internationally. It only monitors digital media, so printed media is not included in the statistics.

However, we try to carry out some monitoring of printed national media: in 2010 we had six major reports in VG, the largest newspaper in Norway, and three of the six also included the front page, as well as several reports in local newspapers “Aften Aften” and “Akersposten Ullern Avis” on the Oslo Cancer Cluster Innovation Park.

Oslo Cancer Cluster

Total press coverage in Norway: **79** articles:

→ Regional press coverage: **16** articles

→ National press coverage: **63** articles

International press coverage: **246** articles

Member companies*

Total press coverage in Norway: **5588** articles:

→ Regional press coverage: **2350** articles

→ National press coverage: **3238** articles

International press coverage: **9451** articles

*SMEs involved in cancer research and development



Members by April 2011

www.oslocancercluster.no  

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