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Highlights from the Heart of Medical Alley

Legal Update

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By Fredrikson & Byron's Life Sciences & Health Law Groups

Fredrikson & Byron's Life Sciences & Health Care Team is headquartered in the heart of Minnesota's Medical Alley, a leading health care center anchored by world-class providers, technology companies and payors. All signs point to continued growth in health care and life sciences from our region in 2020. In this article, we profile four clients based in and around Rochester, Minnesota, who epitomize the promise of growth and innovation.

- Two companies founded by Mayo clinicians and researchers have attracted recent attention from investors and commercialization partners:
 - **Vyriad, Inc.** launched new research and a collaboration with Regeneron Pharmaceuticals, a leading biotechnology company. Together, Vyriad and Regeneron will focus on the development of new oncolytic (cancer-killing) virus-based treatments for various forms of cancer. The collaboration includes a Phase 2 clinical study, scheduled to begin in 2020, to evaluate Regeneron's PD-1 inhibitor Libtayo® (cemiplimab-rwlc) in combination with Vyriad's oncolytic virus Voyager-V1 in multiple types of cancer, including melanoma, lung, liver and endometrial cancers. The companies will also enter a five-year research effort that utilizes Regeneron's *VelociSuite*® technologies to jointly design and validate novel Vesicular Stomatitis Virus (VSV)-based oncolytic virus treatments. Read more about this exciting activity here.
 - **Sonex Health** continues to develop new products and to expand its manufacturing capacity and its distribution networks as it leverages additional Series B funding it received in Q3 of 2019. Mayo Clinic physicians Dr. Darryl Barnes and Dr. Jay Smith, together with Southeast Minnesota-based business operations expert Aaron Keenan, formed Sonex in 2014 to tackle treatment of common orthopedic conditions with devices that improve patient safety and reduce costs by moving procedures out of the operation room and into clinician's offices.

Both Vyriad and Sonex received early stage financing and support from Mayo Clinic Ventures, Rochester Area Economic Development, Inc. and the Southeast Minnesota Capital Fund, and both were early tenants of the Mayo Clinic Business Accelerator.

- Serial entrepreneur, Traci Downs, and savvy builders of the innovation infrastructure in Rochester, Jamie Sundsbak and Amanda Leightner, are working on a new non-profit, Collider Foundation. In December, Collider Foundation announced receipt of a \$250,000 grant from the Ewing Marion Kauffman Foundation, a private, nonpartisan foundation based in Kansas City, Missouri. This grant will support Collider Foundation's efforts to develop and pilot educational programming for low income entrepreneurs and entrepreneurs located in federally recognized economically distressed communities in and around Rochester over the next two years. Like us, Collider Foundation believes that ideas and innovators from the Rochester community will change the world. The organization aims to identify and to help local innovators overcome barriers to success by empowering an impactful, inclusive and entrepreneur-first ecosystem through events, education, space, storytelling and support for dedicated community programs like 1 Million Cups Rochester and Rochester Entrepreneurship Week. Collider Foundation was also awarded funding through U.S. Bank's Community Possible Grant Program to pilot a lean startup course in early 2020.
- On December 4, 2019, Mayo Clinic announced that it hired John Halamka, M.D., a health technology industry leader. Dr. Halamka will serve as President of the Mayo Clinic Platform, which Dr. Halmaka described as an "innovation factory." Mayo Clinic Platform will use Google Cloud as its infrastructure host and will collaborate with Google in the development of new solutions. At a private client briefing at Fredrikson's Minneapolis office on the day of the announcement, Mayo CIO Chris Ross shared that Mayo's partnership with Google will continue to advance the application of artificial intelligence and machine learning to many areas of healthcare. In this partnership, Mayo hopes to improve patient outcomes, transform clinician experiences, support clinical research and revolutionize healthcare delivery.
- Lisa Clark, Executive Director of Destination Medical Center, announced that as part of the Mayo Clinic-Google collaboration, Google will open an office in Rochester.

Looking ahead in 2020:

- We will catch up with old friends at the annual JP Morgan Healthcare Conference in San Francisco, January 13-16, including our own cocktail reception on Monday, January 13.
- We will watch for the next great idea at the DMC Assistance Technology Challenge.