
Merrimack Pharmaceuticals and Sanofi-Aventis Sign Licensing Agreement for Potential Cancer Drug

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On October 1, Merrimack Pharmaceuticals and sanofi-aventis announced the signing of an exclusive worldwide licensing agreement for the development and co-commercialization of MM-121 -- Merrimack's first-in-class, fully human monoclonal antibody designed to block signaling of the ErbB3 receptor. The ErbB3 receptor is a novel target known to be a key mediator of signaling in the ErbB pathway (also known as the EGFR or HER pathway) – a signaling network that impacts a broad array of cancers.

Under the agreement, sanofi-aventis will pay Merrimack \$60 million upfront and will be responsible for all development costs. Merrimack is eligible for an additional \$470 million in milestone payments as well as tiered double-digit royalties on sales of MM-121. Merrimack will execute the development of MM-121 (which is currently in Phase 1 clinical testing), for each indication and sanofi-aventis will be responsible for development thereafter. Merrimack also retains the right to co-promote the therapy in the United States.

WilmerHale represented Merrimack in this matter. [David Redlick](#) led the WilmerHale team, which also included [Steven Barrett](#) and Soojin Chung.