



Progenika's blood chip genetic test analyzes whether a donor's blood is a good match for a transfusion. Progenika is expanding in Massachusetts.

Progenika sets sights on expansion in Bay State

Diagnostics startup on track to hit two regulatory milestones

BY MARK HOLLMER
JOURNAL STAFF

CAMBRIDGE — A year after a quiet launch by its Spanish parent, startup **Progenika Inc.** expects it will continue to hire and pass two major milestones that could pave its way to becoming a significant Bay State player in the medical diagnostics market.

First, the 10-employee company said it is on track to earn regulatory certification for its genetics diagnostics lab sometime this spring, which will enable it to work with outside hospitals and other health care clients.

The second big step: Progenika's first diagnostic test — for a form of high cholesterol that occurs genetically and is approved already in Europe — will likely qualify for U.S. regulatory approval by the end of this year. Staff levels should also double by the end of 2008.

"It is a very big deal," said **Ignacio Martinez**, chief financial officer of Progenika and parent **Progenika Biopharma**. "We want to grow the business."

Progenika has enjoyed steady progress since setting up shop in January 2007 in the **Boston University Photonics Center**. That move was financed by a \$6.6 million round of venture funding from European investors.

In November, the company moved to bigger space at 500 Technology Square in Cambridge. Soon thereafter, it hired a handful of senior executives, including Martinez, chief scientific officer **Duncan Whitney** and chief operating officer **Richard Lussier**.

The company is not without competition in Massachusetts. **Genzyme Ge-**

netics, a division of the biotech giant **Genzyme Corp.** in Cambridge (Nasdaq: GENZ), employs a few hundred people and generated more than \$286 million in revenue during fiscal 2007. Its genetics tests are used by a wide variety of clients and processed at its labs in Westborough and other facilities around the country.

But a key health care observer said there is plenty of room for Progenika, Genzyme Genetics and other competitors focused on the personalized-medicine space. All are developing tests that can determine precise diagnosis and enable medical professionals to use more targeted treatments.

"We are beginning to understand more and more about genetic variation in human beings and which of those genetic variations are important to determine susceptibility to disease or trying to determine what part of a drug is going to be active or not active" in a patient, said **Raju Kucherlapati**, scientific director of the **Harvard Medical School-Partners HealthCare Center for Genetics and Genomics**.

Kucherlapati has been working with California diagnostics company **Affymetrix Inc.** (Nasdaq: AFFX) to increase the use of molecular diagnostics tests at Partners hospitals to identify cardiovascular, neurological and hearing disorders.

Progenika hopes to sell diagnostics tests that it already markets in the European Union. Beyond its cholesterol test, a second genetics test helps doctors avoid mismatching blood for transfusions, assuming a patient has a rare blood type that is difficult to detect.

Martinez said Progenika's employment in Massachusetts should reach as many as 50 people.

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