Valeant Pharmaceuticals and GlaxoSmithKline Announce Worldwide Collaboration Agreement for Retigabine
GSK to make upfront payment to Valeant of $125 million

01.09.2008 - Valeant Pharmaceuticals International and GlaxoSmithKline (GSK) announced that they have entered into an exclusive worldwide collaboration agreement for the investigational drug retigabine, a first in class neuronal potassium channel opener for treatment of adult epilepsy patients with refractory partial onset seizures. According to the company, Retigabine has shown robust efficacy and safety as demonstrated in two large completed Phase III trials conducted in patients with refractory epilepsy receiving treatment with up to three antiepileptic drugs (AEDs). Valeant and GSK plan to file a New Drug Application in the U.S. and a Marketing Authorization Application in Europe by early 2009. The retigabine program also includes an ongoing study in patients with post-herpetic neuralgia (PHN), a painful and common complication of shingles.

Under the terms of the agreement, Valeant will grant GSK worldwide development and commercialization rights to retigabine, VRX698 and the other back-up compounds from the potassium channel opener discovery program in exchange for an upfront payment of $125 million to Valeant. Additionally, GSK will pay Valeant up to $545 million based on the achievement of certain regulatory, development and commercial milestones and the development of additional indications for retigabine. Valeant will co-commercialize with GSK and will share up to 50 percent of net profits within the U.S., Canada, Australia, New Zealand and Puerto Rico, and will receive up to a 20 percent royalty on net sales of retigabine outside those regions. The two companies will jointly fund all global research and development expenses for retigabine, and GSK will completely fund the development of VRX698 and the other back-up compounds from the potassium channel opener discovery program. Valeant could receive up to an additional $150 million based on the achievement of certain regulatory, development and commercial milestones for VRX698 and the back-up compounds and double-digit royalties on worldwide sales.