

San Francisco Nabs Colorado Biotech

LATEST NEWS
March 4, 2005

A Colorado biotechnology company plans to move its headquarters to San Francisco's Mission Bay, a reflection of a coordinated effort by the government, academic and private industry to build the city's biotech community.

[Sirna Therapeutics Inc.](#) initially plans to move about 20 of its 77 employees to space in the China Basin Building near SBC Park. The Boulder-based company confirmed the move, saying it will be relocating its clinical, finance, business development and legal operations as part of a first-phase relocation, but would not say how many employees would be involved or how much space it would initially lease.

Real estate sources said the publicly traded company will take a two-year lease on about 5,000 square feet with an option to expand within the building at anytime. The move is intended to provide a foothold for Sirna, which is keeping an eye on new space being built in Mission Bay for future expansion. The company is expected to grow its Bay Area staff to about 100 people within the next five years, but will maintain a presence in Boulder, where it has an U.S. Food and Drug Administration-approved manufacturing facility.

"The wooing of Sirna demonstrated that San Francisco's public-private partnership efforts to attract biotech and other firms has reached maturity," said Todd Ewing, managing director of the San Francisco Center for Economic Development. "The mayor, business community, city, [UCSF](#) and others rallied spectacularly to pitch San Francisco's advantages."

Big competition

Sirna selected San Francisco after a search that included Boston, San Diego, northern Virginia and northern New Jersey. The company said it selected San Francisco to be near the [University of California at San Francisco](#), which it has a relationship with. It also credited the Bay Area's deep talent pool of life science workers and an impressive response from city officials in choosing San Francisco.

"Clearly the welcome mat was out for us and as a group, all of those people did everything they possibly could to make sure our needs were met and that this would be the home for our new headquarters," said Martin Schmiege, senior vice president and CFO of Sirna. "As a person who has relocated companies in the past and has worked with state and local governments, this was above and beyond what I have ever seen in my 25-year history."

The win for San Francisco comes on the heels of [FivePrime Therapeutics'](#) decision to move from South San Francisco to space within the [J. David Gladstone Institutes](#) building at Mission Bay and results from a well-coordinated effort from the San Francisco Center for Economic

San Francisco Nabs Colorado Biotech

Development, the Mayor's Office of Economic Development and the Mayor's Biotechnology Advisory Council.

"This was a true team effort," said Jesse Blout, director of the Mayor's Office of Economic and Workforce Development.

Behind the deal

Sirna first contacted the San Francisco Center for Economic Development in January and that set a team of city representatives into action.

Mayor Gavin Newsom called Sirna CEO Howard Robin to make a case for San Francisco. Merchant banker Steve Burrill, who chairs the Mayor's Biotechnology Advisory Council, lobbied Sirna board members, and FivePrime Therapeutics President and CEO Gail Maderis and [California Institute for Quantitative Biomedical Research](#) Director Reg Kelly pitched the virtues of Mission Bay and the Bay Area over dinner with Robin.

Sirna executives are not entirely new to the Bay Area. Sirna's CEO Robin previously served as corporate vice president and general manager of the therapeutics division of [Berlex Inc.](#) in Richmond, and Barry Polisky, Sirna vice president of research, performed his postdoctoral work at UCSF.

Founded in 1992 as [Ribozyme Pharmaceuticals Inc.](#), the company was renamed Sirna Therapeutics as a reflection of a new focus in short interfering nucleic acids (siRNAs). The company also completed a \$48 million financing with the [Sprout Group](#), [Venrock Associates](#), [Oxford Bioscience Partners](#), Techno Venture Management and Granite Global Ventures in 2003 that gave it new financial muscle.

Sirna is working to develop a new type of nucleic acid-based therapeutic based on RNA interference, which prevents unwanted protein and viral replication, to treat a broad range of diseases. The company is in early-stage clinical trials on a drug candidate to treat age-related macular degeneration, a deterioration of part of the retina that leads to vision loss and sometimes blindness.

The company is also working on Huntington's Disease, asthma, diabetes, chronic hepatitis, oncology and also has a dermatology division working on permanent hair removal. The company has collaborations with Eli Lilly in oncology and [Targeted Genetics](#) in Huntington's Disease.

'Good financial move'

Though the Bay Area and San Francisco are often slammed for high cost of doing business, Sirna's CFO Schmiege expects the move to save the company money.

San Francisco Nabs Colorado Biotech

"We think we will be saving a significant amount of current and future expense, most notably by not having to relocate talent into an area that doesn't have a large biotech presence," he said. "By being here, we will be saving and reducing our net facility and infrastructure expenses. It's a good financial move for us."

Daniel S. Levine covers biotechnology for the San Francisco Business Times.

© 2005 American City Business Journals Inc.

All contents of this site © American City Business Journals Inc. All rights reserved.