

CASE STUDY: G3 PHARMACEUTICALS

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# Biotech start-up engages Derwent to secure funding

Comprehensive patent landscape analysis  
transforms the IP due diligence process



**Pieter Muntendam, MD**

President and CEO  
G3 Pharmaceuticals

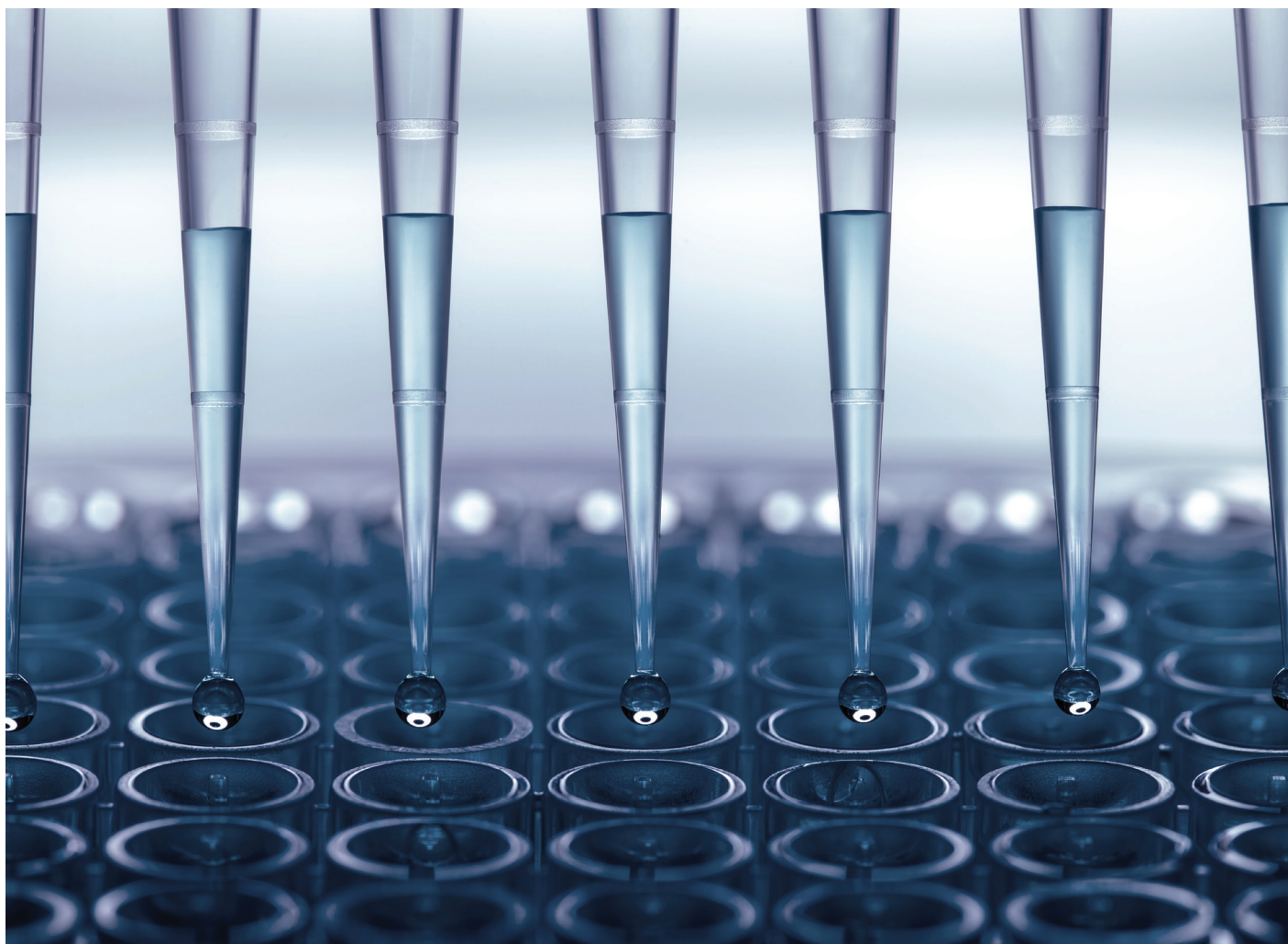
Pieter Muntendam is a trained physician who has devoted his career to medical innovation by developing novel pharmaceuticals, medical devices, and services for payers and employers to reduce the burden of common conditions such as cardiac disease, diabetes and asthma. Dr. Muntendam is the inventor of a novel galectin-3 assay that was approved for clinical use by the FDA in 2010 for use in patients with heart failure. He has raised over \$250M in public and private funding as CEO of early-stage companies.

[g3pharmaceuticals.com](http://g3pharmaceuticals.com)

G3 Pharmaceuticals (“G3”) is a US based, development-stage biopharmaceutical company which has sparked scientific interest in galectin-3 around the world. The company was formed by Pieter Muntendam, MD, and a team of five scientific co-founders from the United States and Europe: all industry leaders in the fields of galectin-3 biology, cardiovascular pharmaceutical development, and carbohydrate drug synthesis and manufacturing.

*“Understanding the IP landscape is mandatory homework for any entrepreneur who wants to raise money. The IP landscape is complex and heterogeneous, so I was quite sure that one of the first questions potential investors would ask would relate to IP owned by G3 Pharmaceuticals and others.”*

Dr Muntendam, President and CEO, G3 Pharmaceuticals



Galectin-3 is a protein responsible for fibrosis forming in the heart and kidney. This impairs organ function, leading to heart failure, atrial fibrillation, and impaired kidney function. G3 is pursuing novel pharmaceuticals that inhibit galectin-3 for the treatment of serious medical conditions.

As CEO of the company, Dr. Muntendam is responsible for defining the IP strategy and raising investment capital to fund G3 research and commercial progress.

## THE CHALLENGE



### Patent data complexity and the galectin-3 landscape for investors

The value of any young, innovation-based company is driven by the quality and scope of its intellectual property. In addition to explaining the science and articulating the commercial story, entrepreneurs must convince investors that their products are proprietary, commercially viable and that they have freedom to operate.

The galectin-3 patent landscape is unusually diverse and complex – patents span a broad range of therapeutic uses as well as pharmaceuticals and devices applications, including food and natural products. Finding and analyzing relevant patents can be daunting – and not having a clear picture of the patent landscape could risk the opportunity of securing funding for G3.

*The current configuration of the IP due diligence process doesn't work very well for early-stage companies. We typically pay six-figures for a report that we never see for the investor. We decided to flip that model by engaging the Derwent Patent Analytics team to undertake a comprehensive patent landscape analysis to help us prepare for our first funding round."*

Dr Muntendam, President and CEO, G3 Pharmaceuticals

## Experts from Derwent Patent Landscape Analysis

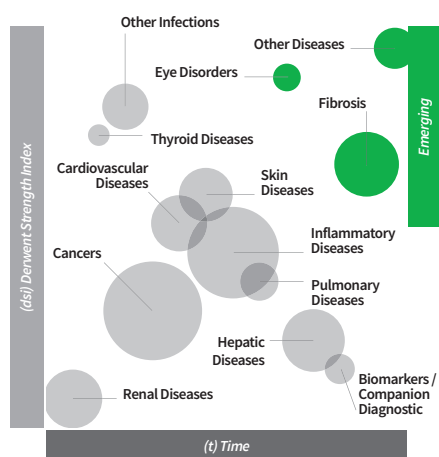


Fig. 1 Technical Dynamics

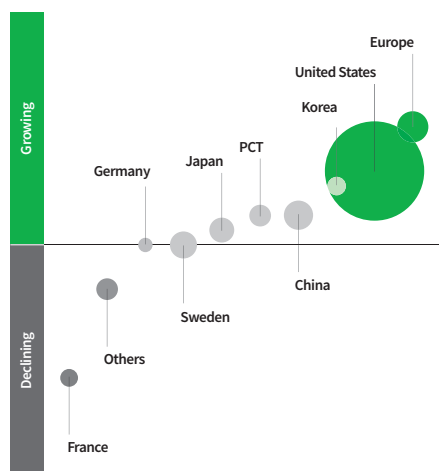


Fig. 2 Innovation Source Trend

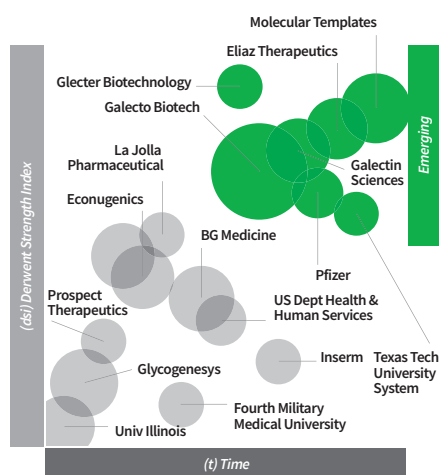


Fig. 3 Commercial Dynamics

“Derwent’s patent analytics services are extremely valuable for early stage companies. Investors are not going to write a check if we cannot give them comfort that we have something proprietary and there isn’t a patent out there that is going to invalidate our strategy. Derwent provides a very powerful way to check that box with confidence.”

Dr Muntendam, President and CEO, G3 Pharmaceuticals

## THE SOLUTION



### Taking control of IP due diligence for funding rounds

The company commissioned Derwent’s Patent Analytics team to undertake a patent landscape study around the therapeutic use of galectin-3 modulators and inhibitors – with analytics powered by Derwent World Patents Index and Derwent Innovation. Armed with its landscape findings and analysis, G3 proactively and confidently anticipated investor questions around existing patents. (See Fig. 1, Fig. 2)

The landscape report also provided a comprehensive view of the pace of innovation, grant rates, analysis of assignees by entity type and technical attributes of the inventions. Sophisticated analytics such as indication trends, filing breadth, invention strength and remaining life provided reassurance to investors regarding G3’s portfolio and its strategic direction. (See Fig. 3)

Following the landscape investigation, G3 turned to the Derwent Patent Preparation and Prosecution team to help draft and file additional patent applications – saving both cost and time.

## THE OPPORTUNITY



### Build a dominant IP position to attract investors

With the landscape validated, G3 is confident in its strategy to build a dominant IP position and to attract future investors and secure further rounds of funding. “In most hot pharmaceutical fields, the rapid appearance of “me too” development creates significant risk for entrepreneurs and investors.”

The unusual landscape and challenges in creating galectin-3 active ingredients provide a rare opportunity for a start-up like us to partner with those who own existing IP. By identifying and in-licensing complementary patents from academic institutions, we expect to build a dominant IP position that is attractive to investors” says Dr Pieter Muntendam.

#### By partnering with Derwent’s Patent experts, G3 was able to:

- Attract new investors and reassure existing ones about the future direction of the company
- Validate the company’s IP strategy and pinpoint licensing opportunities
- Quickly and cost-effectively file new patent applications to further strengthen the company’s patent portfolio