

Power eyeing flotation for Aerogen once again

Galway company is moving into drug delivery, writes Sarah McCabe

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Aerogen has been expanding its footprint of late, moving into drug delivery. Getty Images

John Power is eyeing an IPO for Galway medical device company Aerogen, 16 years after it first went public.

Aerogen, which employs 110 people, 70 of them in Galway, makes equipment that delivers medicine via aerosol.

Its technology is used in hospitals in more than 60 countries around the world.

The company is on track to hit revenue of around €45m this year, having grown sales by about 30pc a year since a management buyout orchestrated by Power in 2007.

He is not interested in selling the company, Power told the Sunday Independent from the Irish Exporters Association's Export Leadership Forum in Croke Park last week.

However, a partial IPO is more likely, probably on the Nasdaq, he said.

The company will wait until its drug programmes are more advanced before pressing the button, Power indicated.

The entrepreneur, originally from London, left school at 16 and completed an engineering degree and MBA at night school.

He came to Ireland 25 years ago to set up an aerospace joint venture at Knock Airport.

After several other projects, he set up a medical device company called Cerus Medical in 1997.

The company changed hands several times in the years that followed, but Power always stayed at the helm. Cerus merged with US company Aerogen in 2000 and the merged entity went public on the Nasdaq.

It was bought in 2003 by San Francisco biopharmaceutical business Nektar Therapeutics. Its last major change of ownership was the management buyout led by Power in 2007.

Aerogen has been expanding its footprint of late, moving into drug delivery.

"We're taking existing generic drugs and customising them for our technology so that they can be aerosolised," said Power.

A new office in San Mateo, California, was set up last year to work on this. Clinical trials are continuing.

Delivery via aerosol of a treatment that helps premature babies breathe as well as a treatment for pulmonary hypertension post-surgery are being worked on.

"Silicon Valley is the world hub for medical technology and biopharma, but eventually we hope to move it all to Ireland," said Power.

"We think our clinical trials will prove that our technology can deliver a big reduction in hospital admissions related to respiratory problems.

"In the US, about 4.5 million Americans present at emergency rooms every year with asthmatic or chronic pulmonary conditions. A large percentage of those people are admitted into hospital. Using our technology, many of those patients can be treated on an out-patient basis and released.

"The cost of treatment in that way is about \$500 (€444) per patient; the cost of admission to hospital is about \$5,000 (€4,448) per patient."

Power's company is also involved in a joint venture set up in California last year which aims to deliver eye drops via aerosol with much less trauma for the patient.

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