

Anivive Sprints to Market With Pet Chemotherapy

DRUGMAKERS: Allergan ties, notable OC backers

■ By JESSIE YOUNT

Anivive Lifesciences Inc. is taking its first pet-specific drug to market after 3.5 years and \$5 million in research and development costs.

So how did Chief Executive **Dylan Balsz** manage to commercialize a new type of chemotherapy treatment for dogs in less than half of the industry average of eight years and over \$100 million in R&D costs?

The pharmaceutical startup developed an advanced software platform that allows it to convert human medicines to pet therapies, and Balsz surrounded himself with a tight-knit network of the who's who of Orange County's pharmaceutical industry.

The Long Beach-based company got its start in Orange, and has raised about 95% of its \$45 million seed capital from area investors, including **Vinny Smith** of **Toba Capital**, **Bob Cluck** of **Canterbury Consulting**, the **Argyros family**, and **Twyla Martin** and her late husband **Chuck**.

Nearly half of Anivive's board members and advisers hail from **Allergan**, which still counts a sizeable presence in Irvine after several corporate shake-ups the past six years.

"Software has yet to make a major impact on veterinary drug development," Balsz told the Business Journal.

"Unlike other industries, the cost of developing new products has skyrocketed over the last 10 years. It's why 85% of pet diseases still have no approved treatment."

"You can see why we're so excited about this global need and opportunity," **Jim**

Laverdia, used to treat blood cancer in dogs, launches this month



Mazzo, long one of the most prominent executives in Orange County's ophthalmic industry, and an investor and adviser to Anivive, told the Business Journal.

"There is a real need for pet medications that address specialty diseases."

Rock Star Board, Advisers

Balsz caught the entrepreneurial bug at a young age.

He sold his first venture, a waste management system developer for pet owners, **International Pet Solutions LLC**, as an undergraduate business student at **Chapman University**. The business was acquired by **Pregra**, a division of **Natco**, when Balsz was 22 in 2013.

Likewise, Anivive got started in 2015 with the help of the local entrepreneurial ecosystem. It was Balsz's economics professor, **Lynne Doti**, who introduced Balsz

to his first adviser: Allergan founder **Gavin Herbert Sr.**

Herbert Sr.—who started Allergan at 24, the same age as Balsz when he launched Anivive—served as an adviser before writing the first investment check for the company.

"I saw similarities between Anivive and Allergan," Herbert Sr. told the Business Journal.

"We always had eight to ten differentiated products in our pipeline that addressed large unmet needs."

Along with Herbert Sr.—the founding father of OC's ophthalmic and drugmaking industry—others on Anivive's advisory board include Mazzo, the former CEO of **Advanced Medical Optics**, which was spun out of Allergan, and former Allergan CEO **David Pyott**.

Lynne Doti—Professor of Economics Emeritus at Chapman, and wife of Chapman President Emeritus **Jim Doti**—is Anivive's longest-serving board member. Others include **Scott Whitcup**, former



Dylan Balsz
CEO
Anivive



James Mazzo
Adviser
Anivive



Gavin Herbert Sr.
Adviser
Anivive



Lynne Doti
Board Member
Anivive

chief scientific officer at Allergan; and **Glenn Stearns**, founder of mortgage firm **Stearns Lending** and now **Kind Lending**.

The company's move a few miles outside of Orange County to an office next to Long Beach Airport wasn't for lack of resources or talent—it moved to Long Beach in 2016 after Balsz's wife was accepted into **Pepperdine Caruso School of Law** in Malibu.

Laverdia

Anivive's first product, **Laverdia**, is a conditionally approved treatment for dogs with blood cancer.

It's the first prescription treatment for the condition that comes in tablet form, and it can be administered at home. It works to prevent certain proteins from leaving the nucleus of cancer cells, in turn allowing these proteins to control the growth and prevent the spread of cancer cells in dogs.

"Veterinarians are prescribing the same off-label chemotherapies they had when they began their careers 20 years ago," Balsz said. "The unmet need sounds obvious, but solving it is not. That's why veterinarians are so excited about our product."

Lymphoma impacts an estimated 770,000 dogs in the U.S. every year. Yet, nearly 90% of affected dogs are left untreated due to toxic side effects and expensive off-label chemotherapy agents, which can run from \$6,000 to \$8,000.

By comparison, Anivive expects the cost of Laverdia to pet owners to run about \$300 per month, with dogs taking it on average for three months.

Launch Plans

Anivive will commercialize Laverdia through direct-to-vet sales, and over the next year will expand its specialty sales team from 12 to over 30 people.

To facilitate its direct sales strategy, Anivive has built out its own licensed distribution center and is nearly complete with a multiyear effort to become licensed and permitted in all 50 U.S. states for pharmaceutical distribution. This is a process no other pet pharmaceutical company has undertaken for several decades, Balsz said.

What's more, the company has already developed relationships with vet hospitals and clinics, including Los Angeles-based **VCA Inc.** and **Mars Veterinary**, which represents over 2,000 vet clinics and 7,000 veterinarians.

Anivive's Chief Medical Officer **David Bruyette** was the medical director at **VCA West Los Angeles Hospital** for more than a decade.

Others involved include board member **Bob Bishop**, the former president of the Allergan unit that spun off into Advanced Medical Optics and led by Mazzo, and was later acquired by **Abbott Laboratories** for \$2.8 billion.

Balsz has "done an excellent job bringing together experts to help him navigate complex environments," Bishop told the Business Journal. "He's got a great team. He's leveraged the [their] expertise and network to make significant strides in the business." ■

Anivive
Lifesciences



- **FOUNDED:** 2015
- **CEO:** Dylan Balsz
- **HEADQUARTERS:** Long Beach
- **BUSINESS:** pet pharmaceuticals
- **NOTABLE:** launching new treatment for dogs with the most common canine cancer