

Ex-Genzyme official to lead testing firm

The Boston Globe

On-Q-ity aims to help doctors decide on cancer treatment

By Todd Wallack, Globe Staff | November 3, 2009

Former [Genzyme Corp.](#) senior executive Mara Aspinall has taken the helm of a new cancer diagnostics business, On-Q-ity Inc.

The Waltham company, which is working to develop tests to help doctors select the best cancer treatment for patients, also plans to say today it has raised \$21 million in venture capital. The round was led by Mohr Davidow Ventures and included Bessemer Ventures, Phisic Ventures, and Northgate Capital.

On-Q-ity is part of the growing field of personalized medicine, where companies are trying to tailor treatments to specific types of patients. Many firms are particularly interested in cancer treatments because there are hundreds of types of the disease and a growing number of drugs, but it is not always immediately clear which treatment will work best for each patient.

"This creates an opportunity," said Aspinall. "We are seeing more interest in diagnostics that can help doctors choose the best therapy for individual patients."

On-Q-ity is one of many companies working to develop tests to narrow the number of potential treatments for patients. Nationally, venture capital firms invested an estimated \$500 million in 57 molecular diagnostic companies last year.

The potential is "generating a lot of investment and a lot of excitement," said Edward Abrahams, executive director of the Personalized Medicine Coalition, an education and advocacy organization based in Washington, D.C. Aspinall is on the group's board of directors.

In addition to cancer diagnostics, Abrahams said, companies are working on tests to help doctors treating cardiovascular diseases, central nervous system disorders, and AIDS.

Aspinall, 47, former president of Genzyme's genetics unit, was originally recruited to run a Mountain View, Calif., company called Collective Dx that was developing technology to test blood for cancerous tumors. But in the spring, Aspinall quickly wound up arranging a merger with a Cambridge diagnostic company, DNA Repair Co., to form On-Q-ity. Prior to the merger, the companies had raised about \$30 million, but this is the first fund-raising round for the combined firm.

On-Q-ity has 20 employees, and Aspinall said she plans to hire another 20 within the next year. She said the products, which are scheduled to be ready by the end of 2010 or early 2011, will be marketed to physicians.

The company said its technology will allow technicians to analyze tissue samples, as well as tumor cells in a patient's bloodstream. The samples can then be monitored for molecular changes that indicate how the patient is responding to treatment.

In the third quarter, Massachusetts biotechnology companies raised \$241 million in venture capital, according to the MoneyTree Report compiled by PricewaterhouseCoopers and the National Venture Capital Association. This year, local biotechs have raised \$606 million in venture capital, down from \$667 million in the first nine months of last year.

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