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Radnor pharmaceutical company raises \$4M

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Yaupon Therapeutics Inc. announced today it has raised \$4 million in venture-capital financing to continue development of potential new medicines for lymphoma, addiction and neuropathic pain.

The financing was led by Osage Ventures of Bala Cynwyd, and included investments from BioAdvance, a state-backed fund for early-stage life-sciences companies; Ben Franklin Technology Partners of Southeastern Pennsylvania, a state-backed economic development program; and TDH Capital, a Radnor venture capital firm.

Yaupon, a specialty pharmaceutical start-up in Radnor, has four products in development - two for methamphetamine and smoking addiction, one for cancer, and one for pain. Yaupon's most advanced compound, Clearazide, is a topical ointment using a generic intravenous chemotherapy drug to treat cutaneous T-cell lymphoma, a difficult-to-treat skin cancer.

Founded in 2002, Yaupon's business strategy has been to partner with academic researchers who have secured millions in federal government funding to develop potential products.

By steering clear of hefty investments from venture firms, which typically trade cash for equity, Yaupon has been eligible to apply for federal Small Business Innovation Research grants. Yaupon has raised a total of \$21.3 million - \$6.5 million in private-equity capital and the rest from public funds.

In 2005, Yaupon was named "life-sciences start-up company of the year" by the Eastern Technology Council, a Wayne group that assists member companies with business-development issues.

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