

Fast-growing ABQ biotech startup acquired for \$90 million in cash

Jun 28, 2016, 8:20am MDT **Updated** Jun 28, 2016, 8:32am MDT

A technology that's been around for a while just got a big boost, and an Albuquerque-based company that pioneered it is now on the board as one of the biggest tech exits in recent years.

Sartorius, a Germany-based international pharmaceutical and laboratory equipment provider that had 1.1 billion euros in sales last year, announced in a [press release](#) that it acquired Albuquerque's IntelliCyt Corp. for \$90 million in cash.

IntelliCyt's founder, president, and CEO [R. Terry Dunlay](#) described the acquisition as part of a plan to grow the business.

"By coupling the global market presence and strong infrastructure of Sartorius with IntelliCyt's enabling cell analysis platform, we will be better able to deliver value to our customers, further penetrate our core markets, and grow the business to the next level," said Dunlay in the release.

IntelliCyt is a biotech company that uses flow cytometry in medical instrumentation, process, and software. Flow cytometry is part of a growing sub-field in photonics that analyzes individual cells by suspending them in fluid and then uses lasers to rapidly count, sort, and visualize them. The technology has big implications in areas like immunotherapy, in particular cancer patient trials, and antibody screening.

"Novel cell screening methods are crucial to enable scientific progress in the fast-expanding research areas of immuno-oncology, antibody discovery and immune targets," said [Joachim Kreuzburg](#), CEO of Sartorius. "IntelliCyt has developed a powerful platform that integrates instruments, reagents and software seamlessly across the workflow."

IntelliCyt employs 55 people and is expected to generate sales revenues of more than \$18 million in 2016, up from \$13.4 million in 2015, according to the release. The company ranked number three on last year's Albuquerque Business First list of [top venture capital deals](#), with a combined \$10.85 million received from Arboretum Ventures, Verge Fund, Prolog Ventures and New Mexico Community Capital.

[Ray Radosevich](#), who is a partner at **IntelliCyt investor Verge Fund** and also sits on the company's board, says the original technology has been around for a while but the key was positioning a serial entrepreneur like Dunlay to rapidly commercialize and build a company around it.

"Originally, photocytometry was invented at Los Alamos National Laboratory, but it wasn't that rapid as a process," said Radosevich. "The faculty at UNM developed a way to convert it into a feasible imaging system in terms of high throughput. Terry Dunlay, who had created a company in similar markets in Pittsburgh, came out to Albuquerque, found the technology through UNM and built a company around it."

Radosevich, who served as dean of the Anderson School of Management at the University of New Mexico, also says the company is expected to remain in New Mexico, and the exit demonstrates a critical point: Venture-backed tech startups in New Mexico can build a company, and not just sell a piece of valuable intellectual property.

“Terry recruited the best team that I have seen at a startup company,” said Radosevich. “I’ve never seen someone put together such an exciting team and technology that took a piece of research from the bench into a fully formed company with frontend and backend software in one year. That’s just unheard of.”

Lisa Kuuttila, director of STC.UNM, which helped Dunlay license and grow the early technology, described it as a success story for the biotech, and larger tech community in the metro area.

“IntelliCyt was founded in 2006 based on UNM technology, Larry Sklar and Bruce Edwards are two of the inventors,” said Kuuttila. “Terry spent the first year in STC’s Cecchi VentureLab and we assisted in the early days with connections to investors and others who could help the company.”



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