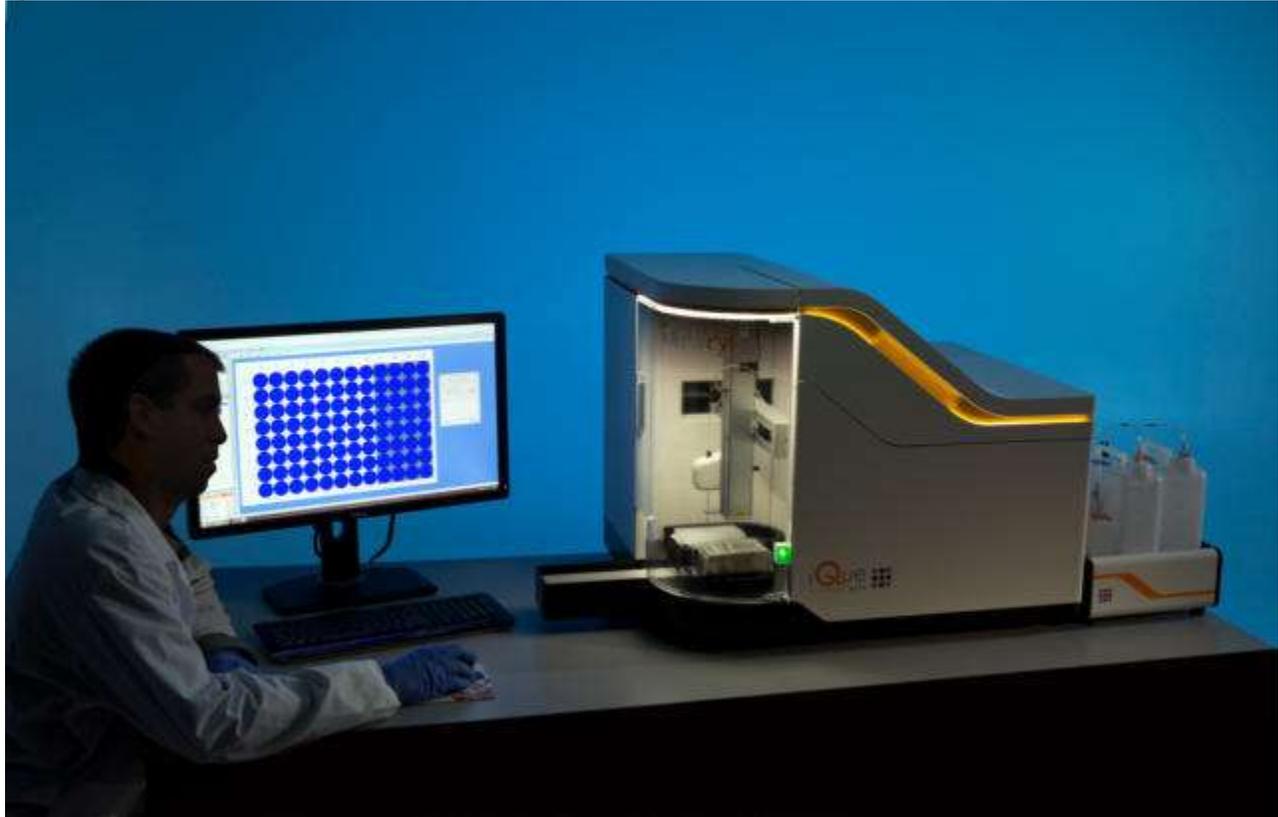


IntelliCyt of ABQ purchased by German firm in \$90 million deal

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Intellicyt, an Albuquerque biotech startup that was based on technology from UNM, has been sold to a German firm. (courtesy Intellicyt)

ALBUQUERQUE, N.M. — *Editor's note: An earlier version of this story incorrectly reported the amount of the cash deal for purchase of IntelliCyt.*

The German pharmaceutical firm Sartorius AG has acquired one of New Mexico's homegrown high-tech startups, IntelliCyt Corp., for \$90 million.

The deal, one of the largest such acquisitions of a homegrown Albuquerque-based startup, is great news for IntelliCyt — which will continue to operate in New Mexico with its current 55-employee workforce — and for continuing to build the local startup economy, said Lisa Kuuttila, president and CEO of the University of New Mexico's Science and Technology Corp., UNM's technology transfer office.

UNM originally licensed the technology for IntelliCyt, which sells super-fast cytometers, or cell meters, for medical discovery. The company launched in 2006. It further developed the UNM technology into a marketable product, and then built the firm into an

established company with \$13.4 million in sales in 2015 and projections of \$18 million in 2016.

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“We’re very excited,” Kuuttila said. “This is one of our earliest startups. We’re thrilled it managed to get to this point.”

Numerous local and out-of-state venture capital firms invested in the company over the years, including the Verge Fund in Albuquerque, New Mexico Community Capital and Village Ventures.

UNM also holds a significant stake in IntelliCyt through STC’s licensing contract with the company. That stock will now be cashed out, Kuuttila said, although it’s not yet clear how much the university will earn for its shares.

“It took ten years of development to reach an exit with this company,” Kuuttila said. “It shows the patience needed to launch and build successful businesses, and the broad support infrastructure that we’ve built up in New Mexico over the years to help startups succeed.”

The company started out with self-funding from the founder and CEO, Terry Dunlay, and originally launched in one of the incubator spaces provided by the STC, Kuuttila said.

“It’s a shining example of how many different parties and organizations it takes to have successful exits like this, and now much of the money that was invested will come back into the community to help build more promising projects,” Kuuttila said. “That’s how we build and grow our ecosystem. This provides a great role model for other entrepreneurs to follow who are thinking about doing projects here themselves.”

Dunlay could not immediately be reached for comment. But in a prepared statement, he said IntelliCyt has built a powerful platform that seamlessly allows the cytometer to process tissue samples in concert with high-tech analysis software.

The technology allows medical researchers and lab technicians to screen far more cells at a much faster pace than other cytometers on the market — 30 to 40 times faster, according to the company.

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Before IntelliCyt launched its technology, standard commercial cytometers slowly fed tissue samples one at a time through a “flow-through” channel for screening in the system. But the company mechanized and automated that system to feed far more samples at extremely fast speeds into the cytometer, allowing much more screening to take place with less time and at reduced costs.

“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 Sartorius CEO Joachim Kreuzburg in a prepared statement. “IntelliCyt has developed a powerful platform that integrates instruments, reagents and software seamlessly across the workflow. This is a great addition to our laboratory portfolio.”

Founded in 1870, Sartorius is a leading provider of pharmaceutical and laboratory equipment worldwide. The company reports about 1.1 billion Euros (about \$1.5 billion) in annual sales. It operates in 110 countries with a 6,200 global workforce.

Sartorius’ financial and market strength will help IntelliCyt grow in coming years, Dunlay said.

“By coupling the global market presence and strong infrastructure at Sartorius with IntelliCyt’s enabling cell analysis platform, we will be better able to deliver volume to our customers, further penetrate our core markets, and grow the business to the next level,” Dunlay said in a prepared statement.