

## Stanford Researchers Seek a Solution to Crohn's with New Cannabis-Focused Biotech Company

*Katexco is moving forward with the development of its first potential cannabis-based therapies this year.*

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Katexco Pharmaceuticals, a biotech company formed by Stanford University researchers last October, says it is advancing the development of two potential products in its medical cannabis program this year.

Katexco, based in Toronto with a subsidiary in Palo Alto, California, is developing oral therapies for gastrointestinal inflammatory diseases like Crohn's disease or ulcerative colitis. During an interview with *Cannabis Wire*, Dr. Jonathan Rothbard, chief executive and chief scientific officer at Katexco, who founded and later sold Amylin Pharmaceuticals to Bristol-Myers Squibb 2012 for \$5.4 billion, said the biotech's CB2 receptor (endocannabinoid) program is focused on minimizing pain and inflammation. The company has not targeted a specific condition, but they may focus on ulcerative colitis, he said.

Past research has shown that cannabis can help relieve the symptoms associated with gastrointestinal inflammatory diseases like Crohn's disease. But it may not have an impact on inflammation, research in the *United European Journal of Gastroenterology* suggests.

"We have previously demonstrated that cannabis can produce measurable improvements in Crohn's disease symptoms but, to our surprise, we saw no statistically significant improvements in endoscopic scores or in the inflammatory markers we measured in the cannabis oil group compared with the placebo group," said Timna Naftali, a specialist in gastroenterology, upon release of the research.

Katexco's second program, which is aimed at the nicotine receptor in the brain, is about six months ahead of the CB2 program, Rothbard said. The nicotine program is focused on treating patients diagnosed with ulcerative colitis who have recently quit smoking.

The biotech is targeting this specific patient population because research has shown that smoking — cigarettes or cannabis — could have a positive effect on ulcerative colitis symptoms. Early [research](#) shows that smokers are less likely to have ulcerative colitis, and if they do, their symptoms are less severe. Katexco's program acts almost like a nicotine replacement therapy, Rothbard said, reducing inflammation without the harmful effects of smoking.

Both programs are being tested separately, but Rothbard said they may look at developing a combination therapy in the future.

As for the rest of the medical cannabis industry, Rothbard is optimistic. He anticipates that more companies will start to develop cannabis-derived therapies. The Food and Drug Administration's [approval of GW Pharmaceuticals' Epidiolex](#) for rare and severe forms of epilepsy last June helped to reduce some of the perceived taboos surrounding cannabis by making it more accepted in academic circles, Rothbard said. For a new company like Katexco, Rothbard is hopeful this will mean more investor interest.

"It's all become much more accepted," he said.

Rothbard predicts that the next few years will bring FDA approval of more cannabis-derived compounds. He also says the industry may see more mergers and acquisitions of small biotechs by Big Pharma. Rothbard said Katexco would consider an acquisition by a Big Pharma in the future. But for now, he says, the company is focused on the science.

"Right now the strategy is clear," he says. "We've raised sufficient funds to accomplish this in two years time, so we're quite confident we'll do this."

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