goBalto wants to save Big Pharma from bungling one big thing

Source: FierceBiotech IT

January 23, 2013 | By Ryan McBride

Huge and scary numbers accompany the costs of drug development, including a study last year in *Forbes* that averaged the total spending per new med from several top pharma groups at $4 billion. Yikes. Behind that big figure is a litany of various holes and dysfunctional practices in the process of bringing a new drug to market.

While some software companies shoot for a soup-to-nuts platform solution to the many problems in drug R&D, Jae Chung and his colleagues have decided to focus on one thing: The multi-step process of starting a clinical trial. San Francisco-based goBalto, Chung's company, has recently revealed that INC Research, the large clinical research organization (CRO), signed on as a major customer for its flagship web software, called Tracker. And that news followed the announcement of a $12 million round of venture financing.

The financing will bankroll further development of Tracker and a greater sales push for the product, Chung says. With about a dozen customers for the software, he aims to break into the top 50 life sciences organizations with Tracker, which is designed to automate the management and coordination involved in the oft-tedious process of launching a clinical trial.

"There are a lot of [electronic clinical trials] platforms out there that are trying to be everything to everyone," Chung, goBalto's CEO, said. "The lesson that I've learned, especially with software, is that the moment you lose focus from getting one thing right and you spread yourself thin, you come up with basically crap in the solution."

Even when you're not dishing out crappy solutions, it's notoriously tough to get pharma companies to change deeply ingrained processes involved in studying medicines. Excel spreadsheets present the biggest competition to goBalto's Tracker, Chung says. Pharma chiefs acknowledge that their companies have R&D problems, but how exactly to fix the breaks is a matter of much debate.

goBalto commissioned Tufts' Center for the Study of Drug Development to do a benchmarking study to gauge the state of clinical trial startups. Tufts sliced and diced data from 11 big biopharma outfits on 105 studies involving 5,296 study sites from 2008 to 2011. In mid- and late-stage studies, it took an average of 16.7 months from protocol approval to full trial initiation, and 10 months for Phase I trials.

Using the first version of Tracker, a CRO shaved 6 weeks off its site activation timeline for a Phase III study with one fewer full-time employee, Chung says.

Over this past summer goBalto released version 2.0 of its flagship software, which takes greater account of variation in study startup processes in different countries than the original iteration did.

The new version of Tracker is the latest product to emerge during a journey Chung began in 2008, when he founded goBalto. The startup previously created a LinkedIn-like directory for study investigators, CROs and other service providers, which garnered an innovation prize from the folks at *Bio-IT World*.

From the membership of the directory, Chung says, his company learned about the thorny startup phase of trialing drugs. That prompted the firm to survey about 200 stakeholders in 2010 to gather information that would aid in crafting Tracker. The web-based software is designed to keep study managers, sites and other stakeholders on the same page through every step of the process.

Chung previously co-founded the major biotech drug manufacturer Celltrion, which has been publicly traded since 2008 and is based in South Korea. The bankable entrepreneur has now raised $21 million for goBalto from Qualcomm's Life Fund, Singapore's EDBI and others. He says he's put in more than $2 million of his own cash.

Has interest in mending broken clinical development practices helped goBalto? "Conceptually, and at a very philosophical level, I would say yes," Chung says. "But at the end of the day it's really hard to change people's behaviors. Right?" -- Ryan McBride (email | Twitter)

###

Read more: GoBalto wants to save Big Pharma from bungling one big thing - FierceBiotechIT

Subscribe: www.fiercebiotechit.com/signup?sourceform=Viral-Tynt-FierceBiotechIT-FierceBiotechIT