

Dr Reddy's ink multimillion-dollar pact with Oz firm

14 September 2015 | News

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The deal will enable Dr Reddy's to commercialize Hatchtech's head lice product, Xeglyze Lotion, which was previously called as DeOvo.

As part of the agreement, Dr Reddy's will pay Hatchtech an upfront amount of \$10 million, up to \$50 million based on pre-commercialization milestones, and an undisclosed amount based on post-commercialization milestones, linked to achievement of annual net sales targets, Dr Reddy's told Bombay Stock Exchange (BSE).

Xeglyze is used in for treating head lice infestation experienced by children and their parents.

The rights for this product are applicable for territories including the US, Canada, India, Russia and the CIS, [Australia](#), New Zealand and Venezuela.

Hatchtech also announced that it will be filing its New Drug Application (NDA) for Xeglyze with the US Food and Drug Administration (FDA) today.

If approved, the product will be marketed in the United States by Promius Pharma, a wholly-owned specialty company of Dr Reddy's Laboratories, said Dr Reddy's in a statement.

In September 2014, Hatchtech announced positive results from its two pivotal Phase-3 clinical studies evaluating Xeglyze Lotion as a potential treatment for head lice infestation.

The clinical studies involved 704 people, across 14 [clinical trial](#) sites in the US and resulted in an 81.5% success rate, following the observation period of 14 days, after a single 10 minute application.

Hatchtech is a specialty pharmaceutical product company located in Melbourne, involved in developing technologies for

controlling invertebrate pests.

The company was originally founded through programs that originated at the University of Melbourne in [Australia](#), according to Hatchtech.

It is a [venture-backed private company](#) by [investors](#) including GBS Venture Partners, Queensland Biotechnology Funds, Uniseed, University of Melbourne Endowment Trust, AustralianSuper, OneVentures Innovation Fund, and Blue Sky Alternative Investments.

Mr Hugh Alsop and Dr Vern Bowles serve as Hatchtech's CEO and CSO respectively.