

OncoMed soars 60% after \$82M IPO



OncoMed Pharmaceuticals, led by CEO Paul Hastings, soared on its first day of public trading.



[Cromwell Schubarth](#)

Senior Technology Reporter- *Silicon Valley Business Journal*

Shares of OncoMed Pharmaceuticals soared 60 percent on Thursday after the company raised \$82 million in an initial public offering.

The stock of the Redwood City company led by CEO [Paul Hastings](#) priced at \$17, above its target range of \$14 to \$16. That gave it an initial market cap of about \$460 million.

The shares closed at \$27.18 in Nasdaq trading with the ticker symbol of OMED. They rose to as high as \$31 at one point in the day.

In addition to pricing higher than expected, OncoMed also sold more shares than originally planned. The number was boosted by 20 percent to 4.8 million on Wednesday.

OncoMed develops monoclonal antibody therapeutics that target cancer stem cells. Its revenue declined 21 percent in 2012 to \$24.7 million, compared to 2011. Its net loss increased to \$22.3 million from about \$15 million the year before.

Revenue increased about 17 percent in the quarter that ended March 31 to \$2.9 million. It lost \$8.6 million in the quarter compared to a loss of \$10.5 million in the comparable period the previous year.

The company has collaboration agreements with GlaxoSmithKline for the development of two of its drug candidates, each with possible payments of up to about \$350 million.

It has also received \$40 million for a collaboration with Bayer that could bring up to \$388 million more in payments.

Oncomed raised about \$174 million in venture funding. Its biggest stakeholders from these fundings is [U.S. Venture Partners](#) (17.23 percent), [Latterell Venture Partners](#) (12.12 percent), The [Vertical Group](#) (11.18 percent), Morgenthaler Partners (10.95 percent), Phase4 Ventures (9.27 percent), [Delphi Ventures](#) (6.95 percent) and Adam Street Partners (5.54 percent).

Jefferies and Leerink Swann were joint bookrunners on the IPO.

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Cromwell Schubarth is the Senior Technology Reporter at the Business Journal. His phone number is 408.299.1823.