

# Anesthesia startup gets funds from Atlas Venture, Partners

Mass High Tech: The Journal of New England Technology

Annovation Biopharma's ship has come in. The startup, which is developing next-generation anesthesia products, has been around for two years, but until now has not [received significant funding](#) [1] from investors.

Now the young biotechnology company has raised \$8 million from a consortium of investors that includes Boston VC firm [Atlas Venture](#) [2], the Partners Innovation Fund, which is affiliated with hospital system [Partners HealthCare](#) [3], and N.J.-based drug maker [The Medicines Company](#) [4] (NASDAQ: MDCO).

This funding may be expanded to \$11 million and is expected to carry the Cambridge, Mass. startup through preclinical development to clinical proof of concept of Annovation's lead product. The product is based on technology from Dr. Douglas Raines's Laboratory in the Department of Anesthesia, Critical Care, and Pain Medicine at [Massachusetts General Hospital](#) [5].

Two years ago, [Annovation was seeking \\$2.5 million](#) [6] in funding to advance its fast-acting anesthetic candidate, called Rapidate. In a pitch to investors then, Raines argued that faster sedation and recovery from Rapidate would save hospitals money, given that it costs \$2,000 for the use of an operating room for one hour.

"The early funding of Annovation reflects a unique set of partnerships giving us access to acute care innovators," Dr. [David Grayzel](#) [7], Managing Director of Atlas Venture Development Corp. and the new Executive Chairman of Annovation, said in a statement. Atlas Venture Development Corp. was established by Atlas Venture in 2010 to partner with drug makers to invest in risky, early-stage life sciences technologies.

Annovation expects to begin clinical studies in the first half of next year. The Medicines Company will have the option to acquire the company at prenegotiated terms including milestones and royalties, if Annovation achieves proof of concept for its product.

Dr. [Jean-Francois Formela](#) [8] from Atlas Venture, Dr. [Jason Campagna](#) [9] from The Medicines Company, and [Carl Berke](#) [10] from Partners Innovation Fund will all join the Annovation board.

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<http://www.mdtmag.com/news/2012/09/anesthesia-startup-gets-funds-atlas-venture->

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[partners](#)

### Links:

[1] <http://www.masshightech.com/stories/2012/07/23/daily42-Annovation-raises-2M-from-Atlas.html>

[2]

[http://www.bizjournals.com/profiles/company/us/ma/waltham/atlas\\_venture/951940/](http://www.bizjournals.com/profiles/company/us/ma/waltham/atlas_venture/951940/)

[3] [http://www.bizjournals.com/profiles/company/us/ma/boston/partners\\_healthcare/3267085/](http://www.bizjournals.com/profiles/company/us/ma/boston/partners_healthcare/3267085/)

[4] [http://www.bizjournals.com/profiles/company/us/nj/parsippany/the\\_medicines\\_company/1324280/](http://www.bizjournals.com/profiles/company/us/nj/parsippany/the_medicines_company/1324280/)

[5] [http://www.bizjournals.com/profiles/company/us/ma/boston/massachusetts\\_general\\_hospital/3294760/](http://www.bizjournals.com/profiles/company/us/ma/boston/massachusetts_general_hospital/3294760/)

[6] <http://www.bizjournals.com/boston/stories/2010/04/12/story4.html>

[7] <http://www.bizjournals.com/boston/search/results?q=David%20Grayzel>

[8] <http://www.bizjournals.com/boston/search/results?q=Jean-Francois%20Formela>

[9] <http://www.bizjournals.com/boston/search/results?q=Jason%20Campagna>

[10] <http://www.bizjournals.com/boston/search/results?q=Carl%20Berke>