

Amarin Cuts Staff By Half After Negative FDA Panel

The Associated Press

WASHINGTON (AP) -- Specialty drugmaker Amarin Corp. is eliminating half of its employees in the wake of an overwhelmingly negative Food and Drug Administration meeting that has put the future of the company's lead product in jeopardy.

The company did not say how many employees would be affected. At the end of 2012 the company reported 111 full-time employees, according to a regulatory filing.

Last week a panel of outside advisers voted 9-2 on Wednesday against recommending broader use of Vascepa, which is designed to lower triglycerides, a type of fat in the bloodstream. The FDA is not required to follow the group's advice, though it often does. Analysts had predicted a positive vote from the group.

Amarin said in a statement that it is continuing discussions with the FDA, but the terminations suggest the company does not expect approval anytime soon.

"Given the outcome of the advisory committee meeting, Amarin feels this shift in staffing is the appropriate corporate action," the company said in a release.

At the end of September, Amarin had about \$226 million in cash and cash equivalents. The company said it expects about \$3 million in restructuring expenses in association with the layoffs.

Vascepa was approved in 2012 for a relatively narrow use in patients with unusually high triglyceride levels. Dublin-based Amarin has asked the FDA to allow marketing of the drug for patients with high triglyceride levels and heart disease who are already taking a statin drug to help control their cholesterol.

A majority of panelists said that while Vascepa significantly lowers fat levels, it is unclear whether that actually translates into fewer heart attacks. The panel members said the FDA should delay a decision on expanding the drug's use until Amarin completes a study of heart attack rates in patients. Results from that study are not expected until 2015 or 2016.

Vascepa is a prescription-strength form of an omega-3 fatty acid found in fish oil.

Amarin said Tuesday it plans to keep half of its best-performing salespeople on the job.

Shares of Amarin Corporation plc fell 3 cents, or 1.2 percent, to \$2.25 in afterhours

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