

Replidyne restructures, seeks alternatives

RDYN restructured and reduced headcount to 54 from 81. The company also said it will seek strategic alternatives, including making an acquisition, merging or being acquired.

RDYN will continue its ongoing placebo-controlled Phase III trial of faropenem for acute exacerbation of chronic bronchitis (AECB), for which results are expected next year. The company reiterated that it will not conduct trials of the oral penem antibiotic in acute bacterial sinusitis (ABS) and community-acquired pneumonia (CAP) without a partner. In 2006, FDA declined to approve faropenem for ABS and AECB based on non-inferiority trials. For CAP, FDA requested additional clinical studies with microbiologic confirmation of bacterial infection.

RDYN will suspend development of REP8839, a methionyl tRNA synthetase (MetRS) inhibitor that was in Phase I testing for skin infections and wounds, and will instead focus on its preclinical programs: a DNA replication inhibition program and REP3123, a MetRS inhibitor for *Clostridium difficile*-associated diarrhea. An IND submission for REP3123 is expected in 2H08.

RDYN said its \$93 million in cash as of Nov. 30 should support operations for at least the next two fiscal years. RDYN, which made the announcement after market close, gained \$0.15 to \$4.15 on Monday.