

**DIVE BRIEF**

Cell therapy developer Sana turns again to layoffs

A 29% reduction in workforce is meant to extend Sana's cash runway further into 2025 as the company advances its lead research programs.

Published Oct. 11, 2023

By Kristin Jensen

Sana's lead drug candidate is a CAR-T cell therapy being developed for B-cell lymphomas and leukemias. Meletios Verras via Getty Images

Dive Brief:

- Sana Biotechnology, which just two years ago was one of the most well-financed startups in the industry, plans to make a second round of layoffs in less than 11 months to save cash.
- The move will affect 29% of Sana's workforce, or about 123 employees, based on the company's headcount of 424 full-time employees at the end of June. The decision follows a layoff of 15% of Sana's staff announced in late November last year.
- The savings will help extend the cash runway for the Seattle-based company further into 2025, according to a Tuesday statement. Sana will also postpone a planned regulatory filing seeking permission for human studies of a cell therapy for a type of blood cancer.

Dive Insight:

Sana went public in early 2021, when investor appetite for emerging biotechs was still strong. The company's \$588 million

initial public offering brought an infusion of cash that added to more than \$700 million raised while Sana was still privately held, giving it a particularly large valuation for a newly public biotech.

While the company had no clinical data to offer investors in 2021, it had lofty ambitions with a pipeline of preclinical candidates based on engineered cells. Now, Sana has a cell therapy called SC291 in Phase 1 testing for B-cell lymphomas and leukemias and expects to deliver data this year and next. It's also seeking regulators' approval to test the treatment in patients with autoimmune diseases.

Next up for Sana is a planned filing for permission to study its SC262 cell therapy in patients with B-cell lymphomas and leukemias and development of a treatment for Type 1 diabetes. The company has decided to delay its SG299 therapy for patients with blood cancer.

As of June 30, Sana had a cash position of \$325.9 million, down from \$434 million at the end of December. With the layoffs announced Tuesday, the company expects its cash burn rate to be below \$200 million next year.

Sana is certainly not alone in shedding staff amid a downturn in biotech financing. BioPharma Dive has cataloged more than 120 layoffs announcements in the industry since the beginning of the year. Just last week, UniQure announced plans to cut 20% of its workforce.