

**DIVE BRIEF**

# Sangamo to cut jobs again with planned business overhaul

The gene therapy developer will move headquarters and reduce its workforce by 40%, while seeking partners for its Fabry and cell therapy research.

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*Sangamo Therapeutics CEO Sandy Macrae Permission granted by Sangamo Therapeutics*

**Dive Brief:**

- Sangamo Therapeutics is making deeper cuts to its business in an attempt to save cash, announcing Wednesday plans to lay off 40% of its workforce and postpone further investment in certain research.
- Sangamo said the layoffs will affect approximately 162 roles. The biotechnology company is also closing its current headquarters in Brisbane, California early next year and transitioning to a location in Richmond, California.
- The restructuring will reduce Sangamo's annual operating expenses by about half, to between \$115 million to \$135 million from approximately \$240 million to \$260 million previously. The company now expects to be able to fund operations into the third quarter of 2024.

**Dive Insight:**

The planned layoffs are the second Sangamo has announced this year. The biotech reduced its staff by 27% in April, cutting around 120 roles.

At the time, Sangamo said it would focus a Fabry treatment nearing Phase 3 testing, its regulatory T cell therapy research and a neurology drug pipeline centered on epigenetic regulation. Now, the company is deferring any further investment into its Fabry or Treg programs until it finds a partner or other outside funding.

“The process of streamlining Sangamo’s pipeline has been accelerated within today’s challenging economic environment and we have had to make difficult decisions to defer further investments and seek collaboration partners or direct investment in both our Fabry gene therapy and CAR-Treg cell therapy programs,” said Sandy Macrae, CEO of Sangamo, in the company’s statement.

Sangamo, which specializes in a gene editing technique called zinc fingers, previously reprioritized its pipeline as it adjusted to losing development partners Novartis and Biogen. And in February, the biotech shelved a sickle cell treatment, about one year after French drugmaker Sanofi handed back rights.

The company revealed its new plans alongside third quarter earnings in which it reported a net loss of \$104 million, about twice the \$53 million loss it recorded during the same period in 2022.

As a result of the restructuring, Sangamo has also trimmed its C-suite, eliminating the roles of Chief Operating Officer and Chief Scientific Officer. The executives that now hold those titles, D. Mark McClung and Jason Fontenot, will both depart in January.

Current executives Amy Pooler and Gregory Davis will be appointed head of research and head of technology, respectively,

later this month.

Shares in Sangamo fell by more than 15% Thursday morning.