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FDA sends Reata back to the drawing board

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The need for another pivotal trial of omaveloxolone in Friedreich's ataxia looks increasingly likely.

Reata Pharmaceuticals' hopes of getting two projects filed in the US this year have taken a battering. The group's latest setback came yesterday, when the FDA concluded that supplemental data on its Friedreich's ataxia asset omaveloxolone were not enough to support approval.

It looks like Reata will now need to carry out another pivotal study of omaveloxolone, although it has not committed to this yet. The group has plenty of cash, but this might be better spent on its lead project, bardoxolone, though this too has been delayed.

Not enough

This result for omaveloxolone was not entirely unexpected; Reata said during its second-quarter results that the FDA had asked for a second pivotal trial to support the Moxie study. Part two of Moxie was declared a success, but only after Reata switched endpoints to increase its chances after the first part failed (*Reata looks to outsmart Abbvie again, October 15, 2019*).

The group had been hoping to placate the agency with an analysis of data derived from an open-label extension trial. Some investors apparently had faith in this plan: Reata's shares opened 6% lower this morning.

This so-called "baseline-control study" compared changes in Moxie's primary endpoint, the modified Friedreich's ataxia rating scale (mFARS), before treatment and after 48 weeks of open-label therapy. It included 14 patients who had received placebo in part two of Moxie but then crossed over to omaveloxolone in the extension study.

Reata reported data from this analysis earlier this month, but the FDA has concluded that these do not strengthen the data from part two of Moxie.

Warren Huff, Reata's chief executive, previously said the agency's main criticism of Moxie was that it missed its secondary endpoints.

It appears that the only path forward for omaveloxolone, in the US at least, is via another trial. Whether Reata has the appetite for this is unclear; at the time of going to press, the company had not responded to questions from *Evaluate Vantage*.

Priorities?

Reata has the money to support another phase III: it had $578m in the bank at the end of the third quarter, enough to fund operations until the end of 2023. But a new trial would put a dent in this cash pile just as Reata is gearing up to launch bardoxolone in the rare kidney disease Alport syndrome.

Focusing on bardoxolone might be wise: sellside consensus puts revenues at $1.6bn in 2026, while omaveloxolone is expected to bring in just $469m that year, according to *EvaluatePharma*.

But bardoxolone's path to the regulator has not been smooth, either. Reata had hoped to file the project on one-year results from the Cardinal study, but the FDA insisted on two-year data. With these now in hand, the group plans to submit bardoxolone in the first quarter of 2021.

Given the FDA's hardline stance so far, there could be more twists in store for Reata yet.