

# Sanguine Bio Accelerates Pace in Vaccine Race

**BIOTECH:** Blood samples are raw material for virus research and development.

By **AMY STULICK** Staff Reporter

As pharmaceutical labs race to develop a vaccine for COVID-19, biomaterial for researchers has become increasingly valuable. That works to the advantage of **Sanguine Biosciences** in Sherman Oaks, which provides blood, tissue, plasma and other biologic material for R&D.

The company has grown 100 percent over the past six months, outlasting competitors such as Texas-based Examination Management Services Inc., which ceased operations on July 3.

"No venture capital needed, it's all through profits," said Sanguine Chief Executive **Brian Neman**, who co-founded the company with **Gerald Lee**. "We've had some very nice growth. The company is also creating a registry of COVID subjects, COVID patients, and we're getting close to nearing 1,000 participants diagnosed with COVID."

Sanguine phlebotomists and nurses numbering more than 100 across the nation see more than 30,000 patients through a mobile network to collect the samples. The team is looking to double its employee count and add 40 more phlebotomists to its national roster by the end of the year, according to **Charlene Christman**, vice president of marketing and demand generation for Sanguine.

The company differs from competitors in that most of its work is done remotely, and its

marketing strategies focus on social media. The company buys advertisements on **Facebook**, **Twitter** and **Instagram**.

"In this economy, in this world, people are more interested in doing things from the comfort of their own home rather than going to a medical center. We identify subjects via social media and patient advocacy efforts," explained Neman.

The pandemic has accelerated demand for at-home visits to draw blood.

After drawing the blood, Sanguine generates most of its net profits through patient identification for research studies.

"To that end, I've identified our competitor which only has the bodies business, the home business model, and they were offering only very low gross margins," Neman said, referring to the recently shuttered EMSI.

## Starting material

Sanguine is working with 25 of the top companies in COVID research, Neman said, including Bay area company **Vir Biotechnology**, which partnered with UK giant **GlaxoSmithKline** in April to work on a vaccine, and **La Jolla Institute for Immunology**.

Some R&D facilities have asked the company to perform at-home visits for COVID clinical trials and research studies, while others have asked Sanguine to identify subjects with the virus.

"By the very means of engaging people digitally, getting consent online and getting and identifying people over the web, by doing that very aspect and by performing home visits, we are accelerating research timelines by several months," said Neman. "In many ways,



PHOTO BY THOMAS WASPER

**Sanguine Founders: Lee, left, and Neman.**

we think we have a special place in this race against COVID."

In the race for a vaccine, clients feel pressure to shorten their development pipeline, and Sanguine can help.

"To develop a new drug or a vaccine, it takes years in sample collection and trials," continued Neman. "A lot of it has to do with participant retention and participant engagement. We accelerate both aspects of those, and because those two drivers are being accelerated, you have reduced timelines."

With its explosive growth in field operations and home visits, Neman said the company hired executive firm **Instacart** to manage this leg of the company, which has doubled in size.

**Daniel Juarez**, phlebotomist for nine years and an employee at Sanguine for a year, told the Business Journal that he collects blood from COVID-19 patients who have recovered, as well as non-virus related samples.

"I wake up early, I drive to their house

and I give them a call and let them know that I'm here," said Juarez, who lives in Riverside County. He commutes to the Los Angeles area every day to see his patients. "I go to their house, process it, box it up and we send it through FedEx."

## Industry 'backbone'

Publicly traded **Charles River Laboratories**, which fits into the R&D industry in the same way as Sanguine, albeit on a global scale, has been feeling the pressure to deliver more biomaterial in the face of the pandemic.

"We are working collaboratively with our clients to discover and develop new therapies for the treatment of disease, including COVID-19," said **James Foster**, chief executive of Charles River, in the company's earnings call in May. "One biotech R&D had recently commented that we are the backbone required to support their programs."

In January, Charles River acquired **HemaCare Corp.**, a blood sample supplier in Van Nuys, for \$380 million.

## Sanguine Biosciences

**HEADQUARTERS:** Sherman Oaks

**CEO:** Brian Neman

**BUSINESS:** In-home specimen collection

**REVENUE:** \$5.9 Million (2019)

**NUMBER OF LOCATIONS:** 2

**EMPLOYEES:** 47

**NOTABLE:** Looking to double employee count by year end.