



Louise Grubb, CEO of Triviumvet: “The pet market for drugs is about 10 per cent of the human market which makes it big.”

Stories

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Serial entrepreneurs Louise Grubb and Tom Brennan want to build a portfolio of veterinary products for pets that will both improve the lives of dogs and cats and eventually attract cash rich pharma giants. Investors agree with the strategy – and have just invested €5 million into the Waterford business.

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It was the third week of March and serial entrepreneurs Louise Grubb and Tom Brennan were excited about almost finalising a €5.1 million new investment round for TriviumVet, their animal therapeutics company based in Waterford.

Grubb and Brennan had already closed a seed round of €3.24 million in September 2018 attracting high-calibre investors like Liam Fitzgerald, the former chief executive of United Drug Group, Niall Wall, the former chief executive of tin and bottling giant Ardagh and ex- Irish rugby international Gordon D'Arcy.

The next 18 months had been a whirlwind of activity as they built a talented team in Waterford. Recruits included Sarah O'Connor, best-known for co-founding and selling the Cool Food Company, and regulatory expert Gemma Kennedy, who previously worked for biopharma giant Sanofi. Its lead veterinarian is Stuart Fitzgerald who brings with him both invaluable experience in clinical practice and industry knowledge. Liam Byrne its head of technical and business development who has a PhD in analytical chemistry and previously worked with Brennan in his old business Eirgen, also joined.

Grubb and Brennan had an impressive track record as founders and leaders. That helped not just to attract staff, but also investors.

In 2009, Grubb sold NutriScience, an animal nutraceutical company she co-founded and was chief executive of, to a Belgium animal healthcare company called Ecupar. She then founded Q1 Scientific, a stability storage company for the pharma sector, bringing in Brennan as a backer from day one.

Brennan, meanwhile, had co-founded Eirgen Pharma, before selling it to US drugs company Opko for \$135 million in 2015. It was all looking good.

TriviumVet had an exciting drugs pipeline to treat chronic diseases in companion animals. Its small but experienced team in Waterford were making good progress bringing their first products to market.

While there is no such thing as a sure thing in start-ups, TriviumVet, by any measure, had an awful lot going for it. Then, as week three of March became week four, the world changed.

On a Friday night, Taoiseach Leo Varadkar announced that Ireland was going into lockdown. Tens of thousands of people lost their jobs, the stock market plunged, offices emptied out, and the economy shuddered to a halt.

Overnight, the economic climate for investment in start-ups in Ireland went from benign to hostile.

The business of pharma for pets

When we spoke last week, Louise Grubb was sitting in front of the window inside her home in Waterford. We are both fiddling about with electronics, trying to set up a video call for the first few minutes before we can begin to talk. Grubb – like most people in Ireland – is now working from home rather than her office on Merchant’s Quay in Waterford city. She misses the informal chats with her small team of eight people, but remains confident her business is progressing well despite remote-working.

Grubb recalls the last push to finalise her new fundraising as Covid-19 closed in. “We more or less had the round closed,” she said. “It has been a fairly fraught couple of weeks to get it over the line but thankfully we did.”

Closing the round is a sign of confidence in TriviumVet. “While we are doing pharmaceutical R&D in a very niche area, there is a lot of resilience in the area we are in,” she said.

According to Grubb, pets were becoming ever more important, in the crisis. “They are even more integrated into the family during this period when so much time is spent at home,” she said.

Grubb said that while retail goods for pets – like fancy toys or collars – were suffering as stores closed, the performance of big pharmaceutical veterinary companies remained strong. “We are very confident in the products that we have and the products that we have coming down the line,” she said.

TriviumVet’s backers, like the entire investment world, were right to pause – but then they jumped.

That confidence is shared by investors. “Almost all of our initial investors reinvested,” Grubb said. “We have a couple of new investors, but most people went back in again.”

Dave McKernan, the founder of Java Republic, and Michael Hoyne, formerly of Merlyn Showers, are among the new names investing.

I had interviewed Hoyne after he sold Merlyn for €68 million in 2017. He told me how his business had come close to going under in the financial crash in 2008. “We lost circa 60 per cent of our Irish business overnight with the collapse of the construction industry,” he told me at the time.

McKernan, too, has known what it was to look into the abyss when 12 years ago, coffee spend collapsed in the recession. He had to battle to restructure his cost base and keep going. Like Hoyne, he eventually turned things around, before selling his business for a reported €30 million in 2019.

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When Louise Grubb and Tom Brennan first launched TriviumVet, they had a plan to create a product to treat gastric ulcers in dogs. Between 3 per cent and 5 per cent of all dogs develop such ulcers, and their drug hopes to treat both small and large dogs. “It is a large market as that is a high incidence. We can see our line of sight through to launch,” Grubb tells me.

She said early development was complete, and it was now working with an Italian manufacturing facility. A Canadian contract research organisation was also working with it on bringing the drug to market, as were various groups in the United States.

“We are hoping to start clinical work in August or September,” Grubb said. Positive meetings with the FDA took place in January, and Grubb said all going to plan: “We would expect to be on the market by January 2022.”

Grubb said the reason TriviumVet had raised another €5 million more was to support not just this drug but other ones. “It has always been our ambition to have a portfolio of products,” she said. “In our case we have four or five products at different stages of development.”

The second regulatory pathway TriviumVet has embarked on is to treat a type of cardiac disease prevalent in both dogs and cats.

“We will be the first to look at this problem ever,” she said. “We have started some of the initial work. We have patented the formulation and the delivery system as it is delayed release. This is an even bigger opportunity.”

TriviumVet, according to Grubb, was also working on a diagnostic product to help identify gastric ulcers in dogs that could have applications across other species.

The scale of the market opportunity is huge.

“The pet market for drugs is about 10 per cent of the human market which makes it big,” Grubb said.

The market for drugs to treat pets is worth about \$30 billion, with the market for small animal treatments – the segment TriviumVet is targeting – in Europe and the United States is about \$9 billion. Drugs for pets tend to be cheaper than for humans, but it is a much more stable market.

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Louise Grubb

“There isn’t the same penetration by generics,” Grubb said. “You tend to have brand drugs in veterinary that have a much longer life cycle than drugs for humans, so they are around a long time and very profitable.”

Traditionally big human pharmaceutical companies have owned smaller veterinary divisions. However, this has changed in the last six to eight years. In 2012, for example, Pfizer spun-off its veterinary division to create Zoetis, the world’s largest maker of medicines for pets. This new breed of company tends to be cash rich, and hungry for ideas.

“What they don’t have is a lot of product ideas and R&D,” Grubb said. “We can see a lot of their R&D expenditure is now moving towards M&A. What they are doing is looking at companies like ours and whether they have something new and then moving to acquire them.”

“Ultimately that is our strategy: to put together a product portfolio where we have one of two products that will be very interesting to the big pharma companies.”

She said building a sales team from scratch to market pet drugs directly to vets was costly and difficult. “For a new and small company, it is impossible,” she said. “You need to partner with a distributor or link up with one of the bigger players.”

“I have ideas around the business and the veterinary space and where I see it going. Tom has huge experience in manufacturing.”



Tom Brennan, the co-founder of TriviumVet

I had first met Tom Brennan in September 2018 in Dublin's Science Gallery after he had just raised his first seed round for TriviumVet. We had spent almost as much time discussing business books and great Irish business stories from over the years as we had doing the interview.

Brennan has a down-to-earth curiosity and sense of humour that belies his success. He was very interested in the late Don Panoz, the founder of Athlone drugs maker Elan, who had died a few weeks earlier. I'd written an obituary about Panoz, as had [Tom Lynch](#), another Elan veteran who died recently. Brennan had peppered me with questions about Elan. Perhaps he could relate to Panoz's belief that it was possible to compete on the world stage not only from Ireland – but also from outside its big cities.

I'd helped Brennan track down a copy of Panoz's autobiography called *Drinking, Driving and Drugs* – which had led to a second lunch some months later. About a month ago, I'd asked Brennan to tell me how TriviumVet was doing, partly because it is a good story, but also because it promised to be non-Covid-19 related.

My timing, as it turned out, was good. Brennan said he couldn't talk, but he promised to put me in touch with Grubb when the time was right.

“We intend to use the funds prudently to develop our product portfolio.”

Tom Brennan

I ask Grubb what it is like to work with Brennan. “It is great to have someone like him that you can bounce ideas off,” she said. “We have complimentary skills. I have ideas around the business and the veterinary space and where I see it going. Tom has huge experience in manufacturing. Our technical backgrounds are completely different. He is happy to go about fundraising and networking. I am looking after the business here and doing business planning. We get on very well. We have our eyes on the prize. We know what we want to build and with every decision we make we are always thinking is that going to get us where we want to be?”

I reached out to Brennan again after talking to Grubb for a quick chat. “I am delighted that we have closed this funding round in the mist of the Covid-19 crisis especially as many of our investors are business people who we greatly admire and their vote of confidence is a massive boost for us,” he said.

“We intend to use the funds prudently to develop our product portfolio and in time, reward these people for their investment as Louise and I have previously done for our shareholders in EirGen, Q1 Scientific and Nutri-Science.”

“I think the sky's the limit, and ultimately that is the real adrenalin in business.”

The chairman of TriviumVet is Liam Fitzgerald. The former chief executive of United Drug Group ran the business from 2000 to 2016, increasing its market capitalisation by 500 per cent, and taking it into 20 countries and the FTSE 250. Fitzgerald is a heavy hitter and not the usual chairman a startup could hope to attract. “Tom and I are real entrepreneurs. Liam brings a lot of gravitas and will say hold on guys are we doing it in the right way?” Grubb explains. “He is looking at this like we are a big corporation already. He is a really good balance to Tom and he thinks in a different way.” Fitzgerald was attracted to the position by the track-record of its founders, and he was also friendly with Brennan previously.

Grubb is convinced that TriviumVet can be bigger than anything she or her cofounder has done to-date. “With this company we are doing completely novel things. The drugs we are looking at have never been used to treat dogs or cats before. They are unmet needs. We have a line of sight to commercialise our first product. It is so exciting to see it come to life. I think the sky’s the limit, and ultimately that is the real adrenalin in business.”

Start-up fundraising in a time of Covid-19

Louise Grubb predicts the landscape for start-ups seeking to raise seed rounds is going to be very difficult while the crisis lasts and immediately afterwards.

“We have raised money for three or four companies at this point and the next one was always easier because you had credibility and experience. For start-ups having the right team will be critical. It will be a real challenge to raise money. We have to find a way to support new businesses and that is all about confidence. People are panicked and holding onto money right now. It will take time for confidence to come back. In the pharma market things haven’t really changed. People get sick. Dogs get sick. They are still going to need to be treated.

But I would be fearful people will hold back and there will be a shortage of investment even though many people still have cash. Trying to raise money remotely won’t be easy. When you raise money it is very important to go and meet people. Investors tend to need to like the person they are backing when it is a startup. It is very hard to do that remotely.”