Sanofi signs $1.2B pact with Atomwise in latest high-value AI drug discovery deal

By **James Waldron**Aug 17, 2022 08:24am

Sanofi is continuing to push the limits of AI-powered drug discovery, inking a $1.2 billion biobucks research collaboration with San Francisco-based Atomwise.

The deal, which will see Sanofi pay $20 million upfront, centers on leveraging the U.S. company's AtomNet platform to research small molecules aimed at up to five drug targets. The platform "incorporates deep learning for structure-based drug design, enabling the rapid, AI-powered search of Atomwise's proprietary library of more than 3 trillion synthesizable compounds," according to the [announcement Wednesday](#).

If the collaboration proves fruitful, Atomwise could be in line for up to $1 billion in research, development and sales milestones as well as tiered royalties.

The company has been steadily building up a wholly owned pipeline of small-molecule drug candidates, with three programs in lead optimization and more than 30 in the discovery stage. The work has been funded by over $194 million from VC firms and a variety of collaborators including Israel's [FutuRx](#).

Sanofi's belief in the potential of AI to transform drug discovery is nothing new. The French pharma has secured a number of intriguing partnerships in this space in recent months, including [expanding](#) its five-year relationship with AI drug discovery shop Exscientia in January to the tune of $100 million.

The company also [committed](#) $270 million in an equity investment and payments over three years to Owkin as part of a collaboration to bring its digital clinical research platform to bear on the drugmaker's core oncology efforts in four different cancers.

Sanofi's global head of research platforms, Matt Truppo, [told Fierce Biotech](#) in June that the goal of these AI collaborations is to reduce drug development timelines by "a few years," which in turn brings down costs.