# Novo Nordisk and Valo Health expand partnership to tackle obesity and diabetes



Novo Nordisk and Valo Health have significantly broadened their partnership into a high-stakes collaboration aimed at harnessing artificial intelligence (AI) to enhance the discovery and development of treatments for obesity, type 2 diabetes, and cardiovascular disease. The announcement, made by both companies, indicates that the partnership could exceed $4.6 billion, showcasing a notable 70% increase from the original agreement valued at $2.7 billion, which focused primarily on cardiovascular disease.

Initially established 16 months ago, the collaboration has already made strides in identifying "several novel targets that may form the basis of differentiated cardiometabolic drug programs." However, specifics regarding the progress on these small molecule preclinical drug discovery programs have not been disclosed.

Dr. Marcus Schindler, Novo Nordisk's executive vice president and Chief Scientific Officer, expressed satisfaction with the achievements thus far, stating, "We are very pleased with the progress we have made together with Valo during the first year of our collaboration, and we are excited to expand the scope to put a stronger focus on obesity and type 2 diabetes in addition to cardiovascular disease."

The augmented partnership aims to blend Novo Nordisk’s established knowledge in treating cardiometabolic diseases with Valo's capabilities in human data analysis, genetics, and their proprietary Opal Computational Platform™. This advanced platform is designed to extract insights from extensive human genetic and longitudinal patient data, specifically targeting obesity, type 2 diabetes, and cardiovascular conditions. Dr. Brian Alexander, CEO of Valo Health, remarked, “The partnership fully leverages the Opal Computational Platform by seeking to identify novel therapeutic targets in large real-world patient datasets."

Valo's Opal platform uses a combination of exclusive and publicly available patient data to build machine learning models that assist in predicting disease progression and drug performance prior to clinical trials. The company asserts this methodology allows them to conduct precise data analysis, which is paramount in identifying suitable targets and designing informed clinical studies. “Data are generated both to advance drug programs and to improve machine learning models,” Valo elucidates on its website.

Furthermore, the expanded collaboration entails Novo Nordisk committing to an upfront payment of $190 million, in addition to potentially reaching up to $4.6 billion through milestone payments, research and development funding, and possible royalty payments. Dr. Alexander underscored the significance of this investment, stating, “This level of investment is a testament to our close partnership in deploying human-centric artificial intelligence to rapidly discover and develop novel cardiovascular and metabolic disease therapeutics.”

The link between Valo and Flagship Pioneering, which pioneered Valo in 2019 and provided substantial initial funding nearing $100 million, underscores the collaborative effort shaping the future of drug development. Valo maintains operations in Lexington, Massachusetts, with additional offices in New York and Tel Aviv, while Novo Nordisk is headquartered in Bagsværd, Denmark.

Following the announcement of the expanded partnership, shares of Novo Nordisk experienced a 3% uptick on Nasdaq Copenhagen, rising from DKK 602.80 ($83.20) to DKK 619.50 ($85.50), reflecting investor confidence in this evolving venture. Dr. Schindler further articulated the partnership's potential, stating, “We have already begun to realize the potential of combining the capabilities of Valo and Novo Nordisk to advance multiple AI-powered, human-centric programs.”

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

1. <https://www.novonordisk.com/news-and-media/news-and-ir-materials/news-details.html?id=915085> - Corroborates the expanded partnership between Novo Nordisk and Valo Health, including the financial details and the focus on obesity, type 2 diabetes, and cardiovascular disease.
2. <https://dig.watch/updates/novo-nordisk-expands-ai-drug-development-partnership-with-valo-health> - Supports the details of the financial aspects of the partnership, including the $190 million upfront payment and the potential $4.6 billion in milestone payments.
3. <https://www.novonordisk.com/news-and-media/news-and-ir-materials/news-details.html?id=915085> - Quotes Dr. Marcus Schindler on the progress and future focus of the collaboration, including the expansion to obesity and type 2 diabetes.
4. <https://dig.watch/updates/novo-nordisk-expands-ai-drug-development-partnership-with-valo-health> - Discusses the competitive landscape in the obesity drug market and the significance of the partnership in this context.
5. <https://www.novonordisk.com/news-and-media/news-and-ir-materials/news-details.html?id=915085> - Explains the use of Valo's Opal Computational Platform™ in analyzing human genetic and longitudinal patient data for drug development.
6. <https://dig.watch/updates/novo-nordisk-expands-ai-drug-development-partnership-with-valo-health> - Details the role of Valo's Opal platform in identifying novel therapeutic targets and designing clinical studies.
7. <https://www.novonordisk.com/news-and-media/news-and-ir-materials/news-details.html?id=915085> - Mentions the involvement of Valo Health and its connection with Flagship Pioneering, highlighting the initial funding and operational locations.
8. <https://dig.watch/updates/novo-nordisk-expands-ai-drug-development-partnership-with-valo-health> - Reports on the investor reaction to the partnership announcement, including the 3% increase in Novo Nordisk's shares on Nasdaq Copenhagen.
9. <https://www.novonordisk.com/news-and-media/news-and-ir-materials/news-details.html?id=915085> - Provides quotes from Dr. Brian Alexander on the significance of the investment and the partnership's goals in deploying human-centric AI.
10. <https://dig.watch/updates/novo-nordisk-expands-ai-drug-development-partnership-with-valo-health> - Corroborates the initial establishment of the partnership 16 months ago and its progress in identifying novel targets for cardiometabolic drug programs.
11. <https://www.genengnews.com/topics/artificial-intelligence/novo-nordisk-valo-health-ink-expanded-up-to-4-6b-ai-collaboration/> - Please view link - unable to able to access data