

Key notes in Immunocellular's update

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Immunocellular Therapeutics (OTCBB:IMUC) issued an update on Wednesday of its Phase II trial for ICT-107, a dendritic cell based cancer vaccine candidate targeting multiple tumor antigens for the treatment of the highly-aggressive form of brain cancer, glioblastoma multiforme (GBM).

The already-completed Phase I trial demonstrated encouraging results, encouraging enough to warrant a quick transition to Phase II, while follow-up data from the Phase I continues to roll in on a positive note.

Key notes from the company update provided on Wednesday include the initiation of the trial in 12 locations thus far, and as stated earlier this year, that number is expected to grow to over 20 before it's all said and done. Additionally, 36 patients are enrolled in the study to date, with full enrollment expected by the second quarter of next year with an interim analysis of results projected to be announced at the end of 2012.

Those key dates and potential catalysts offer a solid timeline of events and expectations for investors who may be accumulating on the dips, such as the one experienced by IMUC earlier in the month before quickly rebounding, but there are other potential catalysts to note as well.

The technology employed behind ICT-107 and the Immunocellular pipeline makes this company a perennial merger and/or acquisition candidate. Highlighting this point are Dendreon's recent woes, which are largely based on the side-effects of the high price of Provenge treatment. Immunocellular's logistical advantages could be turned into significant cost savings for both the customer and the company when applied to immunotherapy treatments, such as ICT-107. That fact could loom as an enticing prospect for prospective partners or buyers.

At the end of the day, after all, it's the high cost of Provenge treatment that looks to be the root cause of Dendreon's troubles, and Immunocellular might have the logistical keys to reducing the costs of such treatment figured out.

Shares of IMUC quickly rebounded from the recent lows, although general market uncertainty could continue to add to the volatility of the stock.

That said, as developing stories of other cancer immunotherapy stocks play out, such as the winding down of Oncothyreon's (ONTY) Stimuvax trials, this field could start

receiving additional investor attention. Generally, when one player in a sector does well, it's assumed that others in the same sector could follow suit. That works both ways, however, as evidenced by the general cancer immunotherapy and biotech sell-off that followed Dendreon's crash last month.

Although still a Phase II company, with just over a year left before interim results are expected, Immunocellular Therapeutics is a stock to keep an eye on. Dendreon may be the "now" generation of cancer immunotherapeutic treatments, but IMUC may be priming itself to lead in the next generation.

Also, with a market cap of still under fifty million, there's going to be room for a price increase as the Phase II trial progresses. That would put this company more in line with others at similar stages of development.

A story worth watching.