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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2010

OR

o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number: 0-15006

CELLDEX THERAPEUTICS, INC.
(Exact name of registrant as specified in its charter)

Delaware	**No. 13-3191702**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

119 Fourth Avenue, Needham, Massachusetts 02494
(Address of principal executive offices) (Zip Code)

(781) 433-0771
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes o No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer o	Accelerated filer x
Non-accelerated filer o (Do not check if a smaller reporting company)	Smaller reporting company o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o No x

As of November 1, 2010, 32,051,938 shares of common stock, $.001 par value per share, were outstanding.

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CELLDEX THERAPEUTICS, INC.

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PART I—FINANCIAL INFORMATION
Item 1. Unaudited Financial Statements

CELLDEX THERAPEUTICS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

(In thousands, except share and per share amounts)

	September 30, 2010	December 31, 2009
ASSETS		
Current Assets:		
Cash and Cash Equivalents	$ 9,828	$ 57,002
Marketable Securities	47,829	25,451
Accounts and Other Receivables	456	544
Prepaid and Other Current Assets	1,087	979
Total Current Assets	59,200	83,976
Property and Equipment, Net	10,924	11,489
Intangible Assets, Net	27,319	29,979
Other Assets	5,401	5,955
Goodwill	8,965	8,965
Total Assets	$ 111,809	$ 140,364
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts Payable	$ 741	$ 1,445
Accrued Expenses	4,178	5,615
Current Portion of Deferred Revenue	5,056	5,191
Current Portion of Long-Term Liabilities	1,076	2,156
Convertible Subordinated Debt	12,230	—
Total Current Liabilities	23,281	14,407
Deferred Revenue	30,920	34,191
Convertible Subordinated Debt	—	11,684
Other Long-Term Liabilities	5,587	6,315
Total Liabilities	59,788	66,597
Commitments and Contingent Liabilities		
Stockholders' Equity:		
Convertible Preferred Stock, $.01 Par Value; 3,000,000 Shares Authorized; No Shares Issued and Outstanding at September 30, 2010 and December 31, 2009	—	—
Common Stock, $.001 Par Value; 297,000,000 Shares Authorized; 32,051,938 and 31,685,061 Shares	32	32

Issued and Outstanding at September 30, 2010 and December 31, 2009, respectively		
Additional Paid-In Capital	232,061	228,863
Accumulated Other Comprehensive Income	2,796	2,546
Accumulated Deficit	(182,868)	(157,674)
Total Stockholders' Equity	52,021	73,767
Total Liabilities and Stockholders' Equity	$ 111,809	$ 140,364

See accompanying notes to unaudited condensed consolidated financial statements

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CELLDEX THERAPEUTICS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

(In thousands, except per share amounts)

	Three Months Ended		Nine Months Ended	
	September 30, 2010	September 30, 2009	September 30, 2010	September 30, 2009
REVENUE:				
Product Development and Licensing Agreements	$ 1,371	$ 1,339	$ 4,117	$ 4,338
Contracts and Grants	—	799	220	939
Product Royalties	1,037	1,892	4,735	5,170
Total Revenue	2,408	4,030	9,072	10,447
OPERATING EXPENSE:				
Research and Development	7,215	5,169	20,908	18,060
Royalty	1,218	2,072	5,277	5,669
General and Administrative	2,421	3,850	7,848	10,701
Gain on Sale of Assets	(50)	—	(50)	(604)
Amortization of Acquired Intangible Assets	483	95	2,660	286
Total Operating Expense	11,287	11,186	36,643	34,112
Operating Loss	(8,879)	(7,156)	(27,571)	(23,665)
Investment and Other Income, Net	124	17	3,379	196
Interest Expense	(332)	(35)	(1,002)	(113)
Net Loss	$ (9,087)	$ (7,174)	$ (25,194)	$ (23,582)
Basic and Diluted Net Loss Per Common Share (Note 4)	$ (0.28)	$ (0.45)	$ (0.79)	$ (1.49)
Shares Used in Calculating Basic and Diluted Net Loss per Share (Note 4)	31,922	15,879	31,812	15,844

See accompanying notes to unaudited condensed consolidated financial statements

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CELLDEX THERAPEUTICS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(In thousands)

	Nine Months Ended	
	September 30, 2010	September 30, 2009
Cash Flows from Operating Activities:		
Net Loss	$ (25,194)	$ (23,582)
Adjustments to Reconcile Net Loss to Net Cash Used in Operating Activities:		
Depreciation and Amortization	2,188	1,955
Amortization of Intangible Assets	2,660	286
Amortization and Accretion of Marketable Securities	(89)	—
Loss on Sales and Maturities of Marketable Securities	22	—
Gain on Sale or Disposal of Assets	(11)	(567)
Stock-Based Compensation Expense	2,197	2,482
Non-Cash Interest Expense	546	—
Changes in Operating Assets and Liabilities:		
Accounts and Other Receivables	88	736
Prepaid and Other Current Assets	(108)	58

Other Assets	554	541
Accounts Payable and Accrued Expenses	(2,141)	(190)
Deferred Revenue	(3,406)	(808)
Other Long-Term Liabilities	(1,663)	63
Net Cash Used in Operating Activities	(24,357)	(19,026)
Cash Flows from Investing Activities:		
Sales and Maturities of Marketable Securities	30,210	—
Purchases of Marketable Securities	(52,272)	—
Acquisition of Property and Equipment	(1,662)	(440)
Proceeds from Sale or Disposal of Assets	50	850
Net Cash (Used in) Provided by Investing Activities	(23,674)	410
Cash Flows from Financing Activities:		
Net Proceeds from Stock Issuances	1,001	489
Payments of Other Long-Term Liabilities	(145)	(132)
Net Cash Provided by Financing Activities	856	357
Effect of Exchange Rate Changes on Cash and Cash Equivalents	1	(13)
Net Decrease in Cash and Cash Equivalents	(47,174)	(18,272)
Cash and Cash Equivalents at Beginning of Period	57,002	44,257
Cash and Cash Equivalents at End of Period	$ 9,828	$ 25,985
Supplemental Disclosure of Non-Cash Flow Information		
Shares Issued to Executive Officers	$ —	$ 250

See accompanying notes to unaudited condensed consolidated financial statements

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CELLDEX THERAPEUTICS, INC.
Notes to Unaudited Condensed Consolidated Financial Statements
September 30, 2010

(1) Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared by Celldex Therapeutics, Inc. (the "Company" or "Celldex") in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and reflect the operations of the Company and its wholly-owned subsidiaries. All intercompany transactions have been eliminated in consolidation.

These interim financial statements do not include all the information and footnotes required by U.S. GAAP for annual financial statements and should be read in conjunction with the audited financial statements for the year ended December 31, 2009, which are included in the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission ("SEC") on March 12, 2010. In the opinion of management, the interim financial statements reflect all normal recurring adjustments necessary to fairly state the Company's financial position and results of operations for the interim periods presented. The year-end consolidated balance sheet data presented for comparative purposes was derived from audited financial statements, but does not include all disclosures required by U.S. GAAP.

The results of operations for the interim periods are not necessarily indicative of the results of operations to be expected for any future interim period or the fiscal year ending December 31, 2010.

AVANT Merger

On March 7, 2008, the Company (formerly known as AVANT Immunotherapeutics, Inc.) ("AVANT") merged with Celldex Research Corporation (formerly known as Celldex Therapeutics, Inc.) ("Celldex Research"), a privately-held company, (the "AVANT Merger"). Effective October 1, 2008, the Company changed its name from AVANT Immunotherapeutics, Inc. to Celldex Therapeutics, Inc. The AVANT Merger was accounted for using the former purchase method of accounting and was treated as an acquisition by Celldex Research of AVANT, with Celldex Research being considered the accounting acquirer even though AVANT was the issuer of common stock and the surviving legal entity in the transaction.

Acquisition of CuraGen Corporation ("CuraGen")

As more fully discussed in Note 12, on October 1, 2009, CuraGen, a former publicly-traded company, merged with a wholly-owned subsidiary ("Merger Sub") of the Company (the "CuraGen Merger"). Following the CuraGen Merger, the financial statements reflect the financial position, results of operation and cash flows of the combined companies. On December 31, 2009, the Company completed the merger of the Merger Sub with and into Celldex pursuant to a short-form merger effected under Delaware law. As a result, the separate corporate existence of CuraGen has ceased and the Company has succeeded to all rights, privileges, powers and franchises of CuraGen.

(2) Significant Accounting Policies

The significant accounting policies used in preparation of these condensed consolidated financial statements for the nine months ended September 30, 2010 are consistent with those discussed in Note 2 to the consolidated financial statements in our Annual Report on Form 10-K for the year ended December 31, 2009, except for the adoption of new accounting standards during the first nine months of 2010 as discussed below.

Recent Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board ("FASB") or other standard setting bodies that are adopted by the Company as of the specified effective date. Unless otherwise discussed, the Company believes that the impact of recently issued standards that are not yet effective will not have a material impact on the Company's financial position or results of operations upon adoption.

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In January 2010, the Company adopted a new U.S. GAAP accounting standard which requires additional disclosure about the amounts of and reasons for significant transfers in and out of Level 1 and Level 2 fair value measurements. This standard also clarifies existing disclosure requirements related to the level of disaggregation of fair value measurements for each class of assets and liabilities and disclosures about inputs and valuation techniques used to measure fair value for both recurring and nonrecurring Level 2 and Level 3 measurements. As this newly issued accounting standard only requires enhanced disclosure, the adoption of this standard did not impact the Company's financial position or results of operations. In addition, effective for interim and annual periods beginning January 1, 2011, this standard will require additional disclosure and require an entity to present disaggregated information about activity in Level 3 fair value measurements on a gross basis, rather than as one net amount.

In January 2010, the Company adopted a new U.S. GAAP accounting standard which amends existing revenue recognition accounting guidance to provide accounting principles and application guidance on whether multiple deliverables exist, how the arrangement should be separated, and the consideration allocated. This new guidance eliminates the requirement to establish objective evidence of fair value of undelivered products and services and instead provides for separate revenue recognition based upon management's estimate of the selling price for an undelivered item when there is no other means to determine the fair value of that undelivered item. The old guidance previously required that the fair value of the undelivered item be the price of the item either sold in a separate transaction between unrelated third parties or the price charged for each item when the item is sold separately by the vendor. This was difficult to determine when the product was not individually sold because of its unique features. Under the old guidance, if the fair value of all of the undelivered elements in the arrangement was not determinable, then revenue was deferred until all of the items were delivered or fair value was determined. The adoption of the new standard was done on a prospective basis and did not impact the Company's financial position or results of operations. This standard may impact the Company in the event it completes future transactions or modifies existing collaborative relationships.

(3) Comprehensive Loss

For the three and nine months ended September 30, 2010 and 2009, comprehensive loss was as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2010	2009	2010	2009
	(In thousands)			
Net loss	$ (9,087)	$ (7,174)	$ (25,194)	$ (23,582)
Other comprehensive loss:				
Unrealized gain (loss) on marketable securities	138	—	249	—
Unrealized foreign exchange translation gain (loss)	—	2	1	(13)
Total other comprehensive gain (loss)	138	2	250	(13)
Total comprehensive loss	$ (8,949)	$ (7,172)	$ (24,944)	$ (23,595)

(4) Net Loss Per Share

Basic net loss per common share is based upon the weighted-average number of common shares outstanding during the period, excluding restricted stock that has been issued but is not yet vested. Diluted net loss per common share is based upon the weighted-average number of common shares outstanding during the period plus additional weighted-average potentially dilutive common shares outstanding during the period when the effect is dilutive.

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The potentially dilutive common shares that have not been included in the net loss per common share calculations because the effect would have been anti-dilutive are as follows:

	Nine months ended September 30,	
	2010	2009
Stock options	4,026,378	2,695,480
Convertible debt	353,563	—
Restricted stock	17,500	—
	4,397,441	2,695,480

(5) Fair Value Measurements

The fair value of the Company's assets and liabilities reflects the Company's estimate of the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants on the measurement date. Market participants are buyers and sellers in the principal market that are (i) independent, (ii) knowledgeable, (iii) able to transact, and (iv) willing to transact.

In connection with measuring the fair value of its assets and liabilities, the Company seeks to maximize the use of observable inputs (market data obtained from sources independent from the Company) and to minimize the use of unobservable inputs (the Company's assumptions about how market

participants would price assets and liabilities). The following fair value hierarchy is used to classify assets and liabilities based on the observable inputs and unobservable inputs used in order to value the assets and liabilities:

Level 1: Observable inputs such as quoted prices in active markets for identical assets or liabilities. An active market for an asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2: Observable inputs other than Level 1 prices, such as quoted prices in active markets for similar assets or liabilities and quoted prices for identical assets or liabilities in markets that are not active.

Level 3: Unobservable inputs based on the Company's assessment of the assumptions that market participants would use in pricing the asset or liability.

The following tables set forth the Company's financial assets subject to fair value measurements:

	As of September 30, 2010	Level 1	Level 2	Level 3
		(In thousands)		
Money market funds	$ 8,998	$ 8,998	—	—
Marketable securities	47,829	—	$ 47,829	—
	$ 56,827	$ 8,998	$ 47,829	—

	As of December 31, 2009	Level 1	Level 2	Level 3
		(In thousands)		
Money market funds	$ 53,780	$ 53,780	—	—
Marketable securities	25,451	—	$ 25,451	—
	$ 79,231	$ 53,780	$ 25,451	—

There have been no transfers of assets or liabilities between the fair value measurement classifications. The Company's financial instruments consist mainly of cash and cash equivalents, marketable securities, short-term accounts receivable, accounts payable and debt obligations. Marketable securities have been valued by a third party pricing service at each balance sheet date, using observable market inputs that may include trade information, broker or dealer quotes, bids, offers or a combination of these data sources. Short-term accounts receivable and accounts payable are reflected in the accompanying consolidated financial statements at cost, which approximates fair value due to the short-term nature of these instruments. Based on current market interest rates available to the Company for long-term liabilities with similar terms and maturities, the Company believes the fair value of the loan payable and note payable approximates its carrying value at September 30, 2010.

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At September 30, 2010, the estimated fair value of the Company's outstanding $12.5 million in CuraGen Debt was approximately $12.0 million based on quoted market prices.

(6) Marketable Securities

A summary of marketable securities is shown below:

September 30, 2010	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
		(In thousands)		
Marketable securities				
U.S. government and municipal obligations				
Maturing in one year or less	$ 17,387	$ 31	$ —	$ 17,418
Maturing after one year through two years	13,464	121	—	13,585
Total U.S. government and municipal obligations	$ 30,851	$ 152	$ —	$ 31,003
Corporate debt securities				
Maturing in one year or less	$ 14,753	$ 27	$ (6)	$ 14,774
Maturing after one year through two years	2,024	28	—	2,052
Total corporate debt securities	$ 16,777	$ 55	$ (6)	$ 16,826
Total marketable securities	$ 47,628	$ 207	$ (6)	$ 47,829

December 31, 2009	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
		(In thousands)		
Marketable securities				
U.S. government and municipal obligations				
Maturing in one year or less	$ 9,698	$ 5	$ —	$ 9,703
Maturing after one year through two years	7,129	6	(22)	7,113
Total U.S. government and municipal obligations	$ 16,827	$ 11	$ (22)	$ 16,816
Corporate debt securities				
Maturing in one year or less	$ —	$ —	$ —	$ —
Maturing after one year through two years	8,672	—	(37)	8,635
Total corporate debt securities	$ 8,672	$ —	$ (37)	$ 8,635
Total marketable securities	$ 25,499	$ 11	$ (59)	$ 25,451

As of September 30, 2010, unrealized losses in the portfolio were primarily due to increases in interest rates. The marketable securities held by the Company were high investment grade and the Company did not consider any investments to be other-than-temporarily impaired as of September 30, 2010.

(7) Stock-Based Compensation

At September 30, 2010, the Company had two stock-based compensation plans: the 2004 Employee Stock Purchase Plan (the "2004 ESPP Plan") and the 2008 Stock Option and Incentive Plan (the "2008 Plan").

Employee Stock Purchase Plan

At September 30, 2010, a total of 62,500 shares of common stock are reserved for issuance under the 2004 ESPP Plan. Under the 2004 ESPP Plan, each participating employee may purchase up to 250 shares of common stock per year, through payroll deductions, at a purchase price equal to 85% of the lower of the fair market value of the common stock at either the beginning of the offering period or the applicable exercise date. During the nine months ended September 30, 2010 and 2009, the Company issued 4,753 and 2,979 shares under the 2004 ESPP Plan, respectively. At September 30, 2010, 52,153 shares were available for issuance under the 2004 ESPP Plan.

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Employee Stock Option and Incentive Plan

The 2008 Plan permits the granting of incentive stock options (intended to qualify as such under Section 422A of the Internal Revenue Code of 1986, as amended), non-qualified stock options, stock appreciation rights, performance share units, restricted stock and other awards of restricted stock in lieu of cash bonuses to employees, consultants and outside directors.

At September 30, 2010, the 2008 Plan allowed for a maximum of 3,900,000 shares of common stock to be issued prior to October 19, 2017. The Company's board of directors determines the term of each option, option price, and number of shares for which each option is granted and the rate at which each option vests. Options generally vest over a period not to exceed four years. The term of each option cannot exceed ten years (five years for options granted to holders of more than 10% of the voting stock of the Company) and the exercise price of stock options cannot be less than the fair market value of the common stock at the date of grant (110% of fair market value for incentive stock options granted to holders of more than 10% of the voting stock of the Company). Vesting of all employee and non-employee director stock option awards is accelerated upon a change in control as defined in the 2008 Plan.

In connection with the CuraGen Merger, the Company assumed the obligations of CuraGen under CuraGen's 2007 Stock Plan (the "CuraGen 2007 Plan") and each outstanding option to purchase CuraGen common stock (a "CuraGen Stock Option") granted under the CuraGen 2007 Plan. Each CuraGen Stock Option assumed by the Company is deemed to constitute an option to acquire, on the same terms and conditions as were applicable under the CuraGen 2007 Plan, shares of the Company's common stock that have been adjusted consistent with the ratio at which the Company's common stock was issued in exchange for CuraGen's common stock in the CuraGen Merger. As of October 1, 2009, the Company assumed options to acquire 931,315 shares of its common stock with a weighted average exercise price of $3.17. As of October 1, 2009, all of the CuraGen Stock Options were fully vested except for 8,993 shares which generally vest over a two year period. No additional awards will be issued under the CuraGen 2007 Plan. The fair value of the CuraGen Stock Options that were attributed to precombination service was included in the CuraGen Merger consideration.

A summary of stock option activity for the nine months ended September 30, 2010 is as follows:

	Shares		Weighted Average Exercise Price Per Share	Weighted Average Remaining Contractual Term (In Years)
Options Outstanding at December 31, 2009	3,576,159	$	7.10	6.6
Granted	810,250	$	4.54	
Exercised	(348,124)	$	2.82	
Canceled	(11,907)	$	4.56	
Options Outstanding at September 30, 2010	4,026,378	$	6.97	7.0
Options Vested and Expected to Vest at September 30, 2010	3,975,142	$	6.98	
Options Exercisable at September 30, 2010	2,554,626	$	7.43	
Shares Available for Grant under the 2008 Plan	1,676,089			

The total intrinsic value of stock options exercised during the nine months ended September 30, 2010 and 2009 was $1.0 million and $0.1 million, respectively. The weighted average grant-date fair value of stock options granted during the nine months ended September 30, 2010 and 2009 was $2.82 and $5.33, respectively. The total fair value of stock options that vested during the nine months ended September 30, 2010 and 2009 was $2.2 million and $2.3 million, respectively.

The aggregate intrinsic value of stock options outstanding at September 30, 2010 was $0.5 million. The aggregate intrinsic value of stock options vested and expected to vest at September 30, 2010 was $0.5 million. As of September 30, 2010, total compensation cost related to non-vested employee and non-employee director stock options not yet recognized was approximately $4.5 million, net of estimated forfeitures, which is expected to be recognized as expense over a weighted average period of 2.7 years.

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Restricted Stock

A summary of restricted stock activity under the 2008 Plan for the nine months ended September 30, 2010 is as follows:

	Shares	Weighted

		Average Grant Date Fair Value (per share)
Outstanding and unvested at December 31, 2009	16,000	$ 4.48
Granted	14,000	3.96
Vested	(12,500)	4.48
Canceled	—	—
Outstanding and unvested at September 30, 2010	17,500	$ 4.06

Valuation and Expenses Information

Stock-based compensation expense related to employee and non-employee stock options, restricted stock and employee stock purchases for the three and nine months ended September 30, 2010 and 2009 was recorded as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2010	2009	2010	2009
	(In thousands)			
Research and development	$ 359	$ 248	$ 1,267	$ 1,068
General and administrative	224	371	930	1,414
Total stock-based compensation expense	$ 583	$ 619	$ 2,197	$ 2,482

The fair values of employee and non-employee director stock options and employee stock purchases granted during the three and nine months ended September 30, 2010 and 2009 were valued using the Black-Scholes option-pricing model with the following assumptions:

	Three months ended September 30,		Nine months ended September 30,	
	2010	2009	2010	2009
Expected stock price volatility (options)	67%	68%	65 - 67%	68%
Expected stock price volatility (2004 ESPP)	70%	90%	51 - 70%	90%
Expected option term (options)	6.2 years	6.1 years	6.2 years	6.1 years
Expected option term (2004 ESPP)	0.5 years	0.5 years	0.5 years	0.5 years
Risk-free interest rate (options)	2.2%	3.4%	2.2 — 3.2%	1.8 — 3.4%
Risk-free interest rate (2004 ESPP)	0.2%	0.3%	0.2%	0.3%
Expected dividend yield	None	None	None	None

Prior to January 1, 2010, the Company used the simplified method of estimating the expected term for share-based compensation. Starting January 1, 2010, the Company ceased using the simplified method, and now uses the average of expected terms for industry peers. Due to the AVANT Merger and the CuraGen Merger, historical exercise patterns do not provide a reasonable basis to estimate expected term of current option grants. Industry peers consist of several public companies that are similar in size in the biopharmaceutical industry. The Company uses its historical stock price volatility consistent with the expected term of grant as the basis for its expected volatility assumption. The risk-free interest rate is based upon the yield of U.S. Treasury securities consistent with the expected term of the option. The dividend yield assumption is based on the Company's history of zero dividend payouts and expectation that no dividends will be paid in the foreseeable future.

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(8) Intangible Assets and Goodwill

Intangible assets, net of accumulated amortization, and goodwill are as follows:

	Estimated Life	September 30, 2010			December 31, 2009		
		Cost	Accumulated Amortization	Net	Cost	Accumulated Amortization	Net
		(In thousands)					
Intangible Assets:							
IPR&D	Indefinite	$ 11,800	—	$ 11,800	$ 11,800	—	$ 11,800
Amgen Amendment	16 years	14,500	$ (897)	13,603	14,500	$ (224)	14,276
TopoTarget Agreement	1.75 years	2,400	(1,885)	515	2,400	(343)	2,057
Core Technology	4.5-11 years	1,948	(973)	975	2,193	(832)	1,361
Strategic Partner Agreement	8 years	630	(204)	426	630	(145)	485
Total Intangible Assets		$ 31,278	$ (3,959)	$ 27,319	$ 31,523	$ (1,544)	$ 29,979
Goodwill	Indefinite	$ 8,965	—	$ 8,965	$ 8,965	—	$ 8,965

In January 2009, the Company entered into a purchase agreement (the "LAHI Agreement") with Lohmann Animal Health International ("LAHI") to sell its poultry vaccines assets to LAHI. Under the LAHI Agreement, LAHI paid an upfront fee of $0.8 million and agreed to pay potential milestone payments. The Company recorded a gain of $0.6 million during the three months ended March 31, 2009 related to the LAHI Agreement based on the upfront fee less the net book value of the related asset.

The estimated fair value attributed to the April 2008 agreement ("TopoTarget Agreement") between the Company (as a successor to CuraGen) and TopoTarget A/S ("TopoTarget") relates to the Company's rights under the TopoTarget Agreement to receive up to $6 million in either potential commercial milestone payments related to future net sales of Belinostat or 10% of any sublicense income received by TopoTarget ("TopoTarget Payments"). In February 2010, TopoTarget entered into a co-development and commercialization agreement for Belinostat with Spectrum Pharmaceuticals, Inc. which resulted in the Company's receipt of $3 million of the TopoTarget Payments. The Company recorded this cash receipt as Other Income for the nine months ended September 30, 2010 and recorded amortization expense related to the TopoTarget Agreement of $0.2 million and $1.5 million for the three and nine months ended September 30, 2010, respectively.

During the nine months ended September 30, 2010, the Company wrote-off $0.2 million in Core Technology to amortization of intangible asset expense.

(9) Income Taxes

Massachusetts, New Jersey and Connecticut are the three states in which the Company primarily operates or has operated and has income tax nexus. The Company is currently under examination for sales and use taxes by the State of Connecticut for CuraGen's operations for the period from July 1, 2006 through June 30, 2009 and by the Internal Revenue Service with respect to 2008. The Company is not currently under examination by any other jurisdictions for any tax year.

The Company has evaluated the positive and negative evidence bearing upon the realizability of its net deferred tax assets, which are comprised principally of net operating loss carryforwards, capitalized R&D expenditures and R&D tax credit carryforwards. The Company has determined that it is more likely than not that it will not recognize the benefits of federal and state deferred tax assets and, as a result, a full valuation allowance was maintained at September 30, 2010 and December 31, 2009 against the Company's net deferred tax assets.

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(10) Significant Revenue Arrangements

A summary of the Company's significant revenue contracts and arrangements follows:

GlaxoSmithKline plc ("Glaxo") and Paul Royalty Fund II, L.P. ("PRF")

In 1997, the Company entered into an agreement with Glaxo to collaborate on the development and commercialization of the Company's oral rotavirus strain and Glaxo assumed responsibility for all subsequent clinical trials and all other development activities. The Company licensed-in the rotavirus strain that was used to develop Glaxo's Rotarix® rotavirus vaccine in 1995 and owes a license fee of 30% to Cincinnati Children's Hospital Medical Center ("CCH") on net royalties received from Glaxo. The Company is obligated to maintain a license with CCH with respect to the Glaxo agreement. The term of the Glaxo agreement is through the expiration of the last of the relevant patents covered by the agreement, although Glaxo may terminate the agreement upon 90 days prior written notice.

In May 2005, the Company entered into an agreement whereby an affiliate of PRF purchased an interest in the net royalties the Company will receive on worldwide sales of Rotarix®. The Company's retained interests in Rotarix® net royalties which were not sold to PRF are recorded as product royalty revenue and a corresponding amount that is payable to CCH is recorded as royalty expense. Product royalty revenue and royalty expense related to the Company's retained interest in Rotarix® was $1.0 million and $1.9 million for the three months ended September 30, 2010 and 2009 and $4.7 million and $5.1 million for the nine months ended September 30, 2010 and 2009, respectively.

Royalty rates on Rotarix® escalate from 7% to 10% based on net product sales in countries that have valid patent protection. These royalty rates are discounted by 30% for "non-patent" countries (primarily international markets). In September 2006, the Company received notice from Glaxo that Glaxo would begin paying royalties on sales of Rotarix® at the lower of the two royalty rates under their 1997 license agreement. Glaxo's decision to pay the lower royalty rate (which is 70% of the full rate) is based upon Glaxo's assertion that Rotarix® is not covered by the patents Glaxo licensed from the Company in Australia and certain European countries. If Glaxo's position stands, the royalties to which PRF is entitled will no longer be limited by a $27.5 million annual threshold, which the Company projected may have been reached in later years as sales of Rotarix® increased. Irrespective of Glaxo's position, the Company will still retain approximately 65% of the royalties on worldwide sales of Rotarix® once PRF receives 2.45 times the aggregate cash payments of $60 million it made to the Company, though the potential amount of such residual royalties will be lower if Glaxo's position stands. The Company has received $60 million in total milestone payments under the PRF agreement. No additional milestone payments are due from PRF under the agreement. In late March 2010, the FDA temporarily suspended the use of Rotarix® in the United States as a precautionary measure following the discovery of PCV-1 DNA material in the vaccine. In May 2010, the FDA determined that healthcare practitioners could resume the use of Rotarix®.

Pfizer Inc. ("Pfizer")

On April 16, 2008, the Company and Pfizer entered into a License and Development Agreement (the "Pfizer Agreement") under which Pfizer was granted an exclusive worldwide license to a therapeutic cancer vaccine candidate, Rindopepimut (CDX-110), in Phase 2 development for the treatment of glioblastoma multiforme. The Pfizer Agreement also gave Pfizer exclusive rights to the use of EGFRvIII vaccines in other potential indications. Under the Pfizer Agreement, Pfizer made an upfront payment to the Company of $40 million and made a $10 million equity investment in the Company. On May 27, 2008, the Company received $10 million from Pfizer in exchange for 781,250 shares of the Company's common stock having a fair value of $10.9 million, or $13.91 per share, on that date. The $0.9 million over the amount received from Pfizer was recorded as a reduction to deferred revenue of the $40 million upfront payment received from Pfizer on June 18, 2008. The Pfizer Agreement also provided for reimbursement by Pfizer of all costs incurred by the Company in connection with the collaboration since the effective date.

The Company had determined that its performance obligations under this collaboration should be accounted for as a single unit of accounting. The Company's deliverables under this collaboration primarily included an exclusive license to its Rindopepimut product candidate and its EGFRvIII technologies, research and

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development services as required under the collaboration and participation in the joint clinical development committee. The Company had estimated that its performance period under the collaboration would be 9.5 years based on an assessment of the period over which the Company would have met its performance obligations under the collaboration. The $40 million up-front payment, less the $0.9 million in excess fair value for the Company's common stock discussed above, and research and development reimbursements, were initially recorded as deferred revenue and recognized as revenue on a straight-line basis over this 9.5 year period using the Contingency Adjusted Performance Model ("CAPM").

On September 1, 2010, the Company received written notice (the "Pfizer Notice") from Pfizer of termination with respect to the Pfizer Agreement. The Pfizer Notice was given under a provision of the Pfizer Agreement which permitted termination at any time and for any reason, upon 60-days' written notice to the Company. The Pfizer Notice did not state a reason for termination. In November 2010, the Pfizer Agreement was terminated (the "Pfizer Termination") and all rights to Rindopepimut were returned to the Company.

At September 30, 2010, the Company had total deferred revenue of $36.0 million related to the Pfizer Agreement. At September 30, 2010, the Company was working with Pfizer on a transition plan and terms of the termination.

The Company incurred and invoiced Pfizer reimbursable costs related to the Pfizer collaboration of $0.2 million and $0.3 million for the three months ended September 30, 2010 and 2009, respectively, and $0.7 million and $3.0 million for the nine months ended September 30, 2010 and 2009, respectively. Effective with the Pfizer Termination, Pfizer is no longer funding the development of Rindopepimut.

The Company recorded product development and licensing agreements revenue under the Pfizer Agreement as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2010	2009	2010	2009
	(In thousands)			
Up-front portion	$ 1,030	$ 1,030	$ 3,089	$ 3,089
Reimbursable costs portion	273	245	815	814
	$ 1,303	$ 1,275	$ 3,904	$ 3,903

In connection with the Pfizer Agreement, the Company paid a total of $6.9 million in sublicense fees to Duke University and Thomas Jefferson University. The Company recorded these deferred sublicense fees to other assets in the consolidated balance sheets and was amortizing them to royalty expense over the 9.5-year performance period at a rate of $0.2 million per quarter. At September 30, 2010 and December 31, 2009, the unamortized balance of deferred costs was $5.1 million and $5.7 million, respectively.

Rockefeller University ("Rockefeller")

The Company is providing research and development support to Rockefeller on the development of their vaccine, DCVax-001, which the Company refers to as CDX-2401, aimed at providing protection from infection with HIV, the virus known to cause AIDS. This program is in a Bill & Melinda Gates Foundation funded partnership called the Grand Challenges initiative. Preclinical studies and manufacturing development have been completed and clinical development initiated. Payments to the Company are made on a time and materials basis. The Company recorded grant revenue from Rockefeller of $0.2 million and $0.9 million for the nine months ended September 30, 2010 and 2009, respectively, no grant revenue for the three months ended September 30, 2010 and $0.8 million in grant revenue for the three months ended September 30, 2009.

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(11) Other Long-Term Liabilities

Other long-term liabilities include the following:

	September 30, 2010	December 31, 2009
	(In thousands)	
Deferred Rent	$ 443	$ 377
CuraGen Merger Severance	894	2,623
Deferred Tax Liabilities	4,661	4,661
Loan Payable	593	632
Note Payable	72	178
Total	6,663	8,471
Less Current Portion	(1,076)	(2,156)
Long-Term Portion	$ 5,587	$ 6,315

(12) CuraGen Acquisition

In connection with the CuraGen Merger, effective October 1, 2009, the Company (i) issued 15,722,713 shares of common stock of the Company, or 0.2739 shares, in exchange for each share of outstanding CuraGen common stock, plus cash in lieu of fractional shares (the "CuraGen Exchange Ratio"), (ii) assumed all of the CuraGen Stock Options and (iii) assumed the CuraGen Debt. The Company acquired CuraGen to gain access to a pipeline of oncology-focused antibody-drug conjugates, including CDX-011 currently in Phase 2 clinical development for the treatment of breast cancer and melanoma, and cash, cash equivalents and marketable securities of $70.3 million.

The transaction was accounted for under the acquisition method of accounting. All of the assets acquired and liabilities assumed in the transaction are recognized at their acquisition-date fair values, while transaction costs associated with the transaction are expensed as incurred.

Purchase Price

The purchase price for CuraGen was based on the acquisition-date fair value of the consideration transferred, which was calculated based on the closing price of the Company's common stock of $5.43 per share on October 1, 2009. The acquisition-date fair value of the consideration transferred consisted of the following (in thousands):

Fair value of common stock issued	$ 85,374
Fair value of CuraGen Stock Options	2,868
Total consideration transferred	$ 88,242

U.S. GAAP requires that the fair value of replacement awards attributable to precombination service be included in the consideration transferred. Of the CuraGen Stock Options assumed, all but 1%, were immediately vested upon closing in accordance with the terms of the stock option agreements and employment agreements. The fair value of the CuraGen Stock Options that has been attributed to precombination service was included in the consideration transferred.

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Allocations of Assets and Liabilities

The Company allocated the consideration transferred for CuraGen to net tangible assets, intangible assets, goodwill and a severance obligation. The difference between the aggregate consideration transferred and the fair value of assets acquired and liabilities assumed was allocated to goodwill. This goodwill relates to the potential synergies from the CuraGen Merger and a deferred tax liability related to acquired IPR&D intangible assets. None of the goodwill is expected to be deductible for income tax purposes. The following table summarizes the fair values of the assets acquired and liabilities assumed at the acquisition date (in thousands):

Cash and cash equivalents	$	51,654
Marketable securities		18,638
Identifiable intangible assets:		
IPR&D		11,800
Amgen Amendment		14,500
TopoTarget Agreement		2,400
Other current and long-term assets		756
Goodwill		8,965
CuraGen Debt		(11,503)
Deferred tax liabilities, net		(5,190)
Other assumed liabilities		(3,778)
Total	$	88,242

(13) Stockholders' Equity

In April 2010, the Company filed a shelf registration statement with the Securities and Exchange Commission to register for sale any combination of the types of securities described in the filing up to a dollar amount of $150 million. The shelf registration went effective on April 22, 2010. No securities have been sold by the Company from this shelf registration.

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Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: This report on Form 10-Q contains forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 under Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements include statements with respect to our beliefs, plans, objectives, goals, expectations, anticipations, assumptions, estimates, intentions and future performance, and involve known and unknown risks, uncertainties and other factors, which may be beyond our control, and which may cause our actual results, performance or achievements to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. All statements other than statements of historical fact are statements that could be forward-looking statements. You can identify these forward-looking statements through our use of words such as "may," "will," "can," "anticipate," "assume," "should," "indicate," "would," "believe," "contemplate," "expect," "seek," "estimate," "continue," "plan," "point to," "project," "predict," "could," "intend," "target," "potential" and other similar words and expressions of the future.

There are a number of important factors that could cause the actual results to differ materially from those expressed in any forward-looking statement made by us. These factors include, but are not limited to:

- our ability to successfully complete product research and further development, including animal, preclinical and clinical studies, and commercialization of Rindopepimut, CDX-011, CDX-1307, CDX-1401, CDX-1135, and other products and the growth of the markets for those product candidates;
- our ability to raise sufficient additional capital on terms acceptable to us, or at all;
- the cost, timing, scope and results of ongoing safety and efficacy trials of Rindopepimut, CDX-011, CDX-1307, CDX-1401, CDX-1135, and other preclinical and clinical testing;
- our ability to successfully complete the transition of the Rindopepimut program from Pfizer to us;
- our ability to fund and complete the development and commercialization of Rindopepimut internally or to find another strategic partner to fund the development and commercialization of Rindopepimut following Pfizer's termination of its license and development agreement with us;
- our ability to adapt our APC Targeting Technology™ to develop new, safe and effective vaccines against oncology and infectious disease indications;

- the ability to negotiate strategic partnerships or other disposition transactions for our non-core programs;
- our ability to manage multiple clinical trials for a variety of product candidates at different stages of development;
- the strategies and business plans of our partners, such as GlaxoSmithKline's plans with respect to Rotarix® and Vaccine Technologies' plans concerning the CholeraGarde® (Peru-15) and ETEC E. coli vaccines, which are not within our control, and our ability to maintain strong, mutually beneficial relationships with those partners;
- our ability to develop technological capabilities and expand our focus to broader markets for vaccines;
- the availability, cost, delivery and quality of clinical and commercial grade materials produced by our own manufacturing facility or supplied by contract manufacturers and partners;
- the timing, cost and uncertainty of obtaining regulatory approvals for product candidates;

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- our ability to develop and commercialize products before competitors that are superior to the alternatives developed by such competitors;
- the validity of our patents and our ability to avoid intellectual property litigation, which can be costly and divert management time and attention; and
- the factors listed under the headings "Business," "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's annual report on Form 10-K for the year ended December 31, 2009, in this Quarterly report on Form 10-Q for the quarter ended September 30, 2010 and other reports that Celldex files with the Securities and Exchange Commission ("SEC").

All forward-looking statements are expressly qualified in their entirety by this cautionary notice. You are cautioned not to place undue reliance on any forward-looking statements, which speak only as of the date of this report or the date of the document incorporated by reference into this report. We have no obligation, and expressly disclaim any obligation, to update, revise or correct any of the forward-looking statements, whether as a result of new information, future events or otherwise. We have expressed our expectations, beliefs and projections in good faith and we believe they have a reasonable basis. However, we cannot assure you that our expectations, beliefs or projections will result or be achieved or accomplished.

OVERVIEW

We are an integrated biopharmaceutical company that applies our comprehensive Precision Targeted Immunotherapy Platform to generate a pipeline of candidates to treat cancer and other difficult-to-treat diseases. Our immunotherapy platform includes a complementary portfolio of monoclonal antibodies, antibody-targeted vaccines, antibody-drug conjugates and immunomodulators to create novel disease-specific drug candidates.

Our strategy is to develop and demonstrate proof-of-concept for our product candidates before leveraging their value through partnerships or, in appropriate situations, continuing late stage development through commercialization ourselves. Demonstrating proof-of-concept for a product candidate generally involves bringing it through Phase 1 clinical trials and one or more Phase 2 clinical trials so that we are able to demonstrate, based on human trials, good safety data for the product candidate and some data indicating its effectiveness. We thus leverage the value of our technology portfolio through corporate, governmental and non-governmental partnerships. This approach allows us to maximize the overall value of our technology and product portfolio while best ensuring the expeditious development of each individual product.

Our current collaborations include the commercialization of an oral human rotavirus vaccine. Our product candidates address market opportunities for which we believe current therapies are inadequate or non-existent.

Acquisition of CuraGen

In connection with the CuraGen Merger, effective October 1, 2009, we (i) issued 15,722,713 shares of our common stock, or 0.2739 shares, in exchange for each share of outstanding CuraGen common stock, plus cash in lieu of fractional shares (the "CuraGen Exchange Ratio"), (ii) assumed all of the CuraGen Stock Options and (iii) assumed the CuraGen Debt. We acquired CuraGen to gain access to a pipeline of oncology-focused antibody-drug conjugates, including CDX-011 currently in Phase 2 clinical development for the treatment of breast cancer and melanoma, and cash, cash equivalents and marketable securities of $70.3 million.

The transaction was accounted for under the acquisition method of accounting. All of the assets acquired and liabilities assumed in the transaction are recognized at their acquisition-date fair values, while transaction costs associated with the transaction are expensed as incurred.

CURRENT PROGRAMS AND PARTNERSHIPS

Our products are derived from a broad set of complementary technologies which have the ability to utilize the human immune system and enable the creation of preventative and therapeutic agents. We are using these

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technologies to develop targeted immunotherapeutics comprised of antibodies, adjuvants and monotherapies and antibody-drug conjugates that prevent or treat cancer and other diseases that modify undesirable activity by the body's own proteins or cells. A number of our immunotherapeutic and antibody-drug conjugate product candidates are in various stages of clinical trials. We expect that a large percentage of our research and development expenses will be incurred in support of our current and future clinical trial programs.

The following table includes the programs that we currently believe are material to our business:

Product	Indication/Field	Partner	Status
CLINICAL			
Rindopepimut (CDX-110)	Glioblastoma multiforme	—	Phase 2b
Glembatumumab Vedotin (CDX-011)	Metastatic melanoma and breast cancer	—	Phase 2b
CDX-1307	Invasive bladder cancer	—	Phase 2
CDX-1401	Multiple solid tumors	—	Phase 1/2
CDX-1135	Renal disease	—	Pilot Study
PRECLINICAL			
CDX-301	Cancer, autoimmune disease and transplant	—	Preclinical
CDX-1127	Immuno-modulation, multiple tumors	—	Preclinical
CDX-014	Renal and ovarian cancer	—	Preclinical
MARKETED PRODUCTS			
Rotarix®	Rotavirus infection	GlaxoSmithKline	Marketed

The expenditures that will be necessary to execute our business plan are subject to numerous uncertainties. Completion of clinical trials may take several years or more, and the length of time generally varies substantially according to the type, complexity, novelty and intended use of a product candidate. It is not unusual for the clinical development of these types of product candidates to each take five years or more, and for total development costs to exceed $100 million for each product candidate. Our estimates that clinical trials of the type we generally conduct are typically completed over the following timelines:

Clinical Phase	Estimated Completion Period
Phase 1	1 - 2 Years
Phase 2	1 - 5 Years
Phase 3	1 - 5 Years

The duration and the cost of clinical trials may vary significantly over the life of a project as a result of differences arising during the clinical trial protocol, including, among others, the following:

- the number of patients that ultimately participate in the trial;
- the duration of patient follow-up that seems appropriate in view of results;
- the number of clinical sites included in the trials;
- the length of time required to enroll suitable patient subjects; and
- the efficacy and safety profile of the product candidate.

We test potential product candidates in numerous preclinical studies for safety, toxicology and immunogenicity. We may then conduct multiple clinical trials for each product candidate. As we obtain results from trials, we may elect to discontinue or delay clinical trials for certain product candidates in order to focus our resources on more promising product candidates.

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An element of our business strategy is to pursue the research and development of a broad portfolio of product candidates within our therapeutic categories and consistent with our technology and capabilities. This is intended to allow us to diversify the risks associated with our research and development expenditures. As a result, we believe our future capital requirements and our future financial success are not substantially dependent on any one product candidate. To the extent we are unable to maintain a broad range of product candidates, our dependence on the success of one or a few product candidates increases.

Regulatory approval is required before we can market our product candidates as immunotherapeutics. In order to proceed to subsequent clinical trial stages and to ultimately achieve regulatory approval, the regulatory agency must conclude that our product candidate is safe and effective. Historically, the results from preclinical testing and early clinical trials (through Phase 2) have often not been predictive of results obtained in later clinical trials. A number of new drugs, biologics and immunotherapeutics have shown promising results in early clinical trials, but subsequently failed to establish sufficient safety and efficacy data to obtain necessary regulatory approvals.

Furthermore, our business strategy includes the option of entering into collaborative arrangements with third parties to complete the development and commercialization of our product candidates. In the event that third parties take over the clinical trial process for one of our product candidates, the estimated completion date would largely be under control of that third party rather than us. We cannot forecast with any degree of certainty which proprietary products, if any, will be subject to future collaborative arrangements, in whole or in part, and how such arrangements would affect our development plan or capital requirements. Our programs may also benefit from subsidies, grants, contracts or government or agency-sponsored studies that could reduce our development costs.

As a result of the uncertainties discussed above, among others, we are unable to estimate the duration and completion costs of our research and development projects or when, if ever, and to what extent we will receive cash inflows from the commercialization and sale of a product. Our inability to complete our research and development projects in a timely manner or our failure to enter into collaborative agreements, when appropriate, could significantly increase our capital requirements and could adversely impact our liquidity. These uncertainties could force us to seek additional, external sources of financing from time to time in order to continue with our business strategy. Our inability to raise additional capital, or to do so on terms reasonably acceptable to us, would jeopardize the future success of our business.

During the past five years through December 31, 2009, we incurred an aggregate of $73.5 million in research and development expenses. The following table indicates the amount incurred for each of our significant research programs and for other identified research and development activities during the nine months ended September 30, 2010 and 2009. The amounts disclosed in the following table reflect direct research and development costs, license fees associated with the underlying technology and an allocation of indirect research and development costs to each program. Prior to 2008, the privately-held Celldex Research did not maintain records that allowed for quantification of research and development expenses by project.

	Nine Months Ended September 30,	
	2010	2009
	(In thousands)	
CLINICAL		
Rindopepimut	$ 968	$ 2,942
CDX-011	3,329	—
CDX-1307	3,333	5,341
CDX-1401	2,299	3,607
CDX-1135	651	371
PRECLINICAL		
CDX-301	3,931	503
CDX-1127	2,674	639
CDX-014	87	—
OTHER		
Other Programs	3,636	4,657
Total R&D Expense	$ 20,908	$ 18,060

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Clinical Development Programs

Rindopepimut (CDX-110)

Our lead clinical development program, Rindopepimut, is a peptide-based immunotherapy that targets the tumor specific molecule called EGFRvIII, a functional variant of the naturally expressed epidermal growth factor receptor (“EGFR”), a protein which has been well validated as a target for cancer therapy. Unlike EGFR, EGFRvIII is not present in normal tissues, and has been shown to be a transforming oncogene that can directly contribute to cancer cell growth. EGFRvIII is commonly present in glioblastoma multiforme, or GBM, the most common and aggressive form of brain cancer, and has also been observed in various other cancers such as breast, ovarian, prostate, colorectal, and head & neck cancer. The FDA has granted orphan drug designation for Rindopepimut for the treatment of EGFRvIII expressing GBM as well as fast track designation.

In April 2008, we and Pfizer Inc. (“Pfizer”) entered into a License and Development Agreement (the “Pfizer Agreement”) under which Pfizer was granted an exclusive worldwide license to Rindopepimut. The Pfizer Agreement also gave Pfizer exclusive rights to the use of EGFRvIII vaccines in other potential indications. The Pfizer Agreement also provided for reimbursement by Pfizer of all costs incurred by us in connection with the collaboration since the effective date.

On September 1, 2010, we received written notice (the “Pfizer Notice”) from Pfizer of termination with respect to the Pfizer Agreement. The Pfizer Notice was given under a provision of the Pfizer Agreement which permitted termination at any time and for any reason, upon 60-days’ written notice to us. The Pfizer Notice did not state a reason for termination. In November 2010, the Pfizer Agreement was terminated (the “Pfizer Termination”) and all rights to Rindopepimut were returned to us. Effective with the Pfizer Termination, Pfizer is no longer funding the development of Rindopepimut.

Initial clinical development of EGFRvIII immunotherapy was led by collaborating investigators at the Brain Center at Duke Comprehensive Cancer Center in Durham, North Carolina and at M.D. Anderson Cancer Center in Houston, Texas. The results from the Phase 1 (VICTORI) and Phase 2a (ACTIVATE) studies, which enrolled 14 and 18 evaluable patients, respectively, have demonstrated a significant increase in the time to disease progression (“TTP”) and overall survival (“OS”) rates. In ACTIVATE, improvements in TTP and OS were approximately 125% and 73%, respectively, relative to appropriately matched historical controls. An extension of the Phase 2a program (ACT II) at the same two institutions has evaluated 22 additional GBM patients treated in combination with maintenance temozolomide (the current standard of care). Preliminary results from ACT II estimate median OS to be 23.6 months, although the median has not yet been reached, while the survival of a matched historical control group was 15.0 months (p value = 0.0194). Overall TTP in the ACT II study was 15.2 months compared with 6.3 months for the historical control group (p value = 0.0237).

We initiated a Phase 2b/3 randomized study (ACT III) of Rindopepimut combined with standard of care, temozolomide, versus standard of care alone in patients with GBM in over 30 sites throughout the United States. In December 2008, we announced an amendment to convert the ACT III study to a single-arm Phase 2 clinical trial in which all patients were to receive Rindopepimut in combination with temozolomide. The decision, which followed the recommendation of the Independent Data Monitoring Committee, was based on the observation that the majority of patients randomized to the control (standard of care) arm withdrew from this open-label study after being randomized to the control arm. Patients participating on the control arm of the study were offered the option to receive treatment with Rindopepimut. Under this amendment, the ACT III study provided for a multi-center, non-randomized dataset for Rindopepimut in patients with newly diagnosed GBM.

In June 2010, we announced interim data for the first 40 of the total 65 patients enrolled in the ACT III study. The interim data showed that 28 of 40 patients (70%) were progression-free at 5.5 months after entry into the study. Taking into account the 3 to 3.5 months required to complete pre-study chemoradiation and enter into the study, the 5.5 month time point in ACT III corresponds to approximately 8.5 months after diagnosis. The ACTIVATE and ACT II trials, which were conducted in just two leading centers, reported progression-free rates at 8.5 months after diagnosis of 70% and 80%, respectively, whereas similar results were seen in the ACT III trial, which enrolled patients in over 25 centers in the United States.

We expect to present final data on the 5.5 month Progression Free Survival ("PFS") rate from all 65 patients enrolled in the ACT III study as well as an update on OS data from this study during the fourth quarter of 2010. Final OS data from the ACT II study will also be presented. These data will provide additional information that will allow us to better design the future clinical development of Rindopepimut. We are currently planning to initiate a Phase 3 randomized study of Rindopepimut in patients with GBM by the second half of 2011.

Glembatumumab Vedotin (CDX-011)

CDX-011 is an antibody-drug conjugate (ADC) that consists of a fully-human monoclonal antibody, CR011, linked to a potent cell-killing drug, monomethyl-auristatin E (MMAE). The CR011 antibody specifically targets glycoprotein NMB or (GPNMB) that is expressed in a variety of human cancers including breast cancer and melanoma. The ADC technology, comprised of MMAE and a stable linker system for attaching it to CR011, was licensed from Seattle Genetics, Inc. The ADC is designed to be stable in the bloodstream. Following intravenous administration, CDX-011 targets and binds to GPNMB and upon internalization into the targeted cell, CDX-011 is designed to release MMAE from CR011 to produce a cell-killing effect. We acquired the rights to CDX-011 in connection with the CuraGen Merger.

Treatment of Breast Cancer: In June 2008, an open-label, multi-center Phase 1/2 study was initiated of CDX-011 administered intravenously once every three weeks to patients with locally advanced or metastatic breast cancer who have received prior therapy (median of seven prior regimens). The study began with a bridging phase to confirm the maximum tolerated dose ("MTD") and then expanded into a Phase 2 open-label, multi-center study.

The study confirmed the safety of CDX-011 at the pre-defined maximum dose level (1.88 mg/kg) in 6 patients. An additional 28 patients were enrolled as an expanded Phase 2 cohort (for a total of 34 treated patients at 1.88 mg/kg, the Phase 2 dose) to evaluate the PFS rate at 12 weeks. As previously seen in melanoma patients, the 1.88 mg/kg dose was well tolerated in this patient population with the most common adverse events of rash, alopecia, and fatigue. The primary activity endpoint, which called for at least 5 of 25 (20%) patients in the Phase 2 study portion to be progression-free at 12 weeks, was met as 9 of 26 (35%) evaluable patients were progression-free at 12 weeks.

For all patients treated at the maximum dose level, tumor shrinkage was seen in 62% (16/26) and PFS was 9.1 weeks. A subset of 10 patients had "triple negative disease," a more aggressive breast cancer subtype that carries a high risk of relapse and reduced survival as well as limited therapeutic options due to lack of over-expression of HER2/neu, estrogen and progesterone receptors. In these patients, 78% (7/9) had any tumor shrinkage, 12-week PFS rate was 70% (7/10), and median PFS was 17.9 weeks. Tumor samples from a subset of patients across all dose groups were analyzed for GPNMB expression. The tumor samples from most patients showed evidence of stromal and/or tumor cell expression of GPNMB. The most common treatment-related toxicities were fatigue, rash, nausea, alopecia (hair loss), neutropenia and vomiting.

In May 2010, the FDA granted Fast Track designation to CDX-011 for the treatment of advanced, refractory/resistant GPNMB-expressing breast cancer.

In September 2010, we initiated a randomized Phase 2b controlled study in patients with heavily pre-treated, advanced breast cancer whose tumors are confirmed to express GPNMB via a validated, centralized diagnostic assay. We expect that a significant portion of the enrolled patients will have triple-negative disease, since GPNMB is frequently expressed in this patient population. Patients will be randomized (2:1) to receive either CDX-011 or single-agent "Investigator's Choice" chemotherapy. Activity endpoints will include objective response rate ("ORR"), PFS and OS. We expect to enroll 120 patients at approximately 25 clinical sites in the United States. We expect to complete enrollment in this study by the fourth quarter of 2011.

Treatment of Metastatic Melanoma: In June 2006, a Phase 1/2 open-label, multi-center, dose escalation study was initiated to evaluate the safety, tolerability and pharmacokinetics of CDX-011 for patients with un-resectable Stage III or Stage IV melanoma who have failed no more than one prior line of cytotoxic therapy. A total of 117 patients were enrolled in this trial. The trial initially evaluated doses of CDX-011 between 0.03 mg/kg to 2.63 mg/kg given once every three weeks. CDX-011 was generally well tolerated, with rash and neutropenia

emerging at higher doses. The MTD was determined to be 1.88 mg/kg administered intravenously (IV) once every three weeks.

The study achieved its primary activity objective with an ORR in the Phase 2 cohort of 15% (5/34). Median PFS was 3.9 months. CDX-011 was found to be active in advanced melanoma patients in the study. The most frequent treatment-related adverse events included rash, fatigue, alopecia (hair loss), pruritus, diarrhea and neuropathy.

More frequent dosing schedules of CDX-011 were also evaluated, including a weekly and a two out of every three-week regimen, to explore if more frequent administration can provide additional activity in patients with metastatic melanoma. Doses of 1.0 mg/kg given once every week and 1.5 mg/kg given for two out of three weeks were identified as the MTD in each schedule. The response rate was observed to be 20% and 33%, respectively. This increased activity was accompanied by increased toxicity.

In the subset of patients with tumor biopsies, high levels of tumor expression of GPNMB appeared to correlate with favorable outcome. In the seven patients whose tumors were found to express high amounts of GPNMB, and who were treated at the maximum tolerated doses across all dosing schedules, median PFS was 4.9 months. The development of rash, which may be associated with the presence of GPNMB in the skin also seemed to correlate with greater PFS.

CDX-1307

Our lead APC Targeting Technology™ product candidate, CDX-1307, is in development for the treatment of epithelial tumors such as colorectal, pancreatic, bladder, ovarian and breast cancers. CDX-1307 targets the beta chain of human chorionic gonadotropin, known as hCG-Beta, which is an antigen often found in epithelial tumors. The presence of hCG-Beta in these cancers correlates with a poor clinical outcome, suggesting that this molecule may contribute to tumor growth. Normal adult tissues have minimal expression of hCG-Beta; therefore, targeted immune responses are not expected to generate significant side effects.

The Phase 1 studies are complete. The Phase 1 studies investigated the safety and immunogenicity of CDX-1307 alone and in combination with adjuvants, including GM-CSF (known to increase mannose receptor expression on dendritic cells) and Toll-Like Receptor ("TLR") agonists (poly-ICLC or Hiltonol™ and R848 or resiquimod). Patients with an assortment of different tumor types that are known to express hCG-Beta were enrolled with retrospective analysis for hCG-Beta expression. A regimen of every two week dosing for four doses was utilized with the possibility of retreatment if patients demonstrate tumor regression or stable disease.

The Phase 1 studies enrolled over 80 patients with heavily pretreated, advanced-stage colorectal, breast, pancreatic, bladder/ureteral, ovarian and testicular cancer. All patient cohorts demonstrated a favorable safety profile with no dose limiting toxicity. The combination of CDX-1307 with TLR agonists significantly enhanced immune responses against hCG-Beta. Immune responses occurred even in the presence of high circulating levels of hCG-Beta, suggesting that the CDX-1307 can overcome antigen tolerance in advanced and heavily pretreated cancers. Nine patients in the studies experienced disease stabilization from 2.3 months to 16 months following the initiation of CDX-1307 vaccination. These data provide the basis for advancing CDX-1307 into a front-line patient population selected for hCG-Beta-expressing cancers.

In May 2010, we initiated a 60 patient randomized (1:1) Phase 2 controlled study to evaluate the CDX-1307 regimen in both neoadjuvant and adjuvant settings in patients with newly diagnosed muscle-invasive bladder cancers that express hCG-beta. Preliminary data from this study are expected in 2012.

CDX-1401

CDX-1401, also developed from the APC Targeting Technology, is a fusion protein consisting of a fully human monoclonal antibody with specificity for the dendritic cell receptor, DEC-205, linked to the NY-ESO-1 tumor antigen. In humans, NY-ESO-1 is one of the most immunogenic tumor antigens and has been detected in 20 - 30% of cancers, thus representing a broad opportunity. This product is intended to selectively deliver the NY-ESO-1 antigen to APCs for generating robust immune responses against cancer cells expressing NY-ESO-1. Unlike

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CDX-1307, which targets the mannose receptor expressing dendritic cells, CDX-1401 is the first APC product targeting DEC-205 expressing dendritic cells. We are developing CDX-1401 for the treatment of malignant melanoma and a variety of solid tumors which express the proprietary cancer antigen NY-ESO-1, which we licensed from the Ludwig Institute for Cancer Research in 2006. We believe that preclinical studies have shown that CDX-1401 is effective for activation of human T-cell responses against NY-ESO-1.

In September 2009, we initiated enrollment in a dose-escalating Phase 1/2 clinical trial aimed at determining the optimal dose for further development based on the safety, tolerability, and immunogenicity of the CDX-1401 vaccine. The trial will evaluate three different doses of the vaccine in combination with TLR agonists poly-ICLC or Hiltonol™ and/or R848 or resiquimod. We expect to enroll approximately 50 patients with solid tumor cancers at multiple clinical sites in the United States.

In October 2010, we announced interim data for the first 20 patients enrolled in the study, 35% of whom had confirmed NY-ESO-1 expression. The interim data showed that six patients maintained stable disease and were eligible for multiple cycles of the treatment regimen, including 4 patients who have received 3 or more cycles (6 weeks of treatment followed by a 6 week rest), with stable disease of up to 11.5+ months. The treatment was well tolerated and there were no dose-limiting toxicities. Robust anti-NY-ESO-1 immunity was induced with the majority of the patients developing anti-NY-ESO-1 antibody responses and 39% of the patients having increases in NY-ESO-1 specific T cell responses, including both CD4 and CD8 responses. Importantly, the T cell responses were directed against multiple regions of the NY-ESO-1 antigen.

CDX-1135

CDX-1135 is a molecule that inhibits a part of the immune system called the complement system. The complement system is a series of proteins that are important initiators of the body's acute inflammatory response against disease, infection and injury. Excessive complement activation also plays a role in some persistent inflammatory conditions. CDX-1135 is a soluble form of naturally occurring Complement Receptor 1 that inhibits the activation of the complement cascade in animal models and in human clinical trials. We believe that regulating the complement system could have therapeutic and prophylactic applications in several acute and chronic conditions, including organ transplantation, multiple sclerosis, rheumatoid arthritis, age-related macular degeneration ("AMD"), atypical Hemolytic Uremic Syndrome ("aHUS"), Paroxysmal Nocturnal Hemaglobinuria ("PNH"), Dense Deposit Disease ("DDD") in kidneys, and myasthenia gravis. We are currently defining the most appropriate clinical development path for CDX-1135 and are focusing on rare disease conditions of unregulated complement activation as the fastest route to FDA approval.

Preclinical Development Programs

CDX-301

CDX-301 is a FMS-like tyrosine kinase 3 ligand (Flt3L) that we licensed from Amgen in March 2009. CDX-301 is a growth factor for stem cells and immune cells called dendritic cells. Based on previous experience with this molecule, we believe that CDX-301 has considerable opportunity in various transplant settings as a stem cell mobilizing agent. In addition, CDX-301 is an immune modulating molecule that increases the numbers and activity of specific types of immune cells. We believe CDX-301 has significant opportunity for synergistic development in combination with proprietary molecules in our portfolio. We expect to file an Investigational New Drug ("IND") application during the fourth quarter of 2010 and are engaged in discussions with collaborators to re-initiate the clinical development of CDX-301.

CDX-1127

We have entered into a License Agreement with the University of Southampton, UK, to develop human antibodies to CD27, a potentially important target for immunotherapy of various cancers. In preclinical models, antibodies to CD27 alone have been shown to mediate anti-tumor effects, and may be particularly effective in combination with other immunotherapy. CD27 is a critical molecule in the activation pathway of lymphocytes. It acts downstream from CD40 and may provide a novel way to regulate the immune responses. In September 2010, we exercised an option under our Research and Commercialization Agreement with Medarex, whereby we have a

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commercial license to the human antibody technology specifically for our CD27 antibody. Preclinical models with our human monoclonal antibody to CD27 have demonstrated immune cell activation and anti-tumor responses.

CDX-014

CDX-014 is a fully-human monoclonal ADC that targets TIM-1, an immunomudulatory protein that appears to down regulate immune response to tumors. The antibody, CDX-014, is linked to a potent chemotherapeutic, monomethyl auristatin E (MMAE), using Seattle Genetics' proprietary technology. The ADC is designed to be stable in the bloodstream, but to release MMAE upon internalization into TIM-1-expressing tumor cells, resulting in a targeted cell-killing effect. CDX-014 has shown potent activity in preclinical models of ovarian and renal cancer. We acquired the rights to CDX-014 in connection with the CuraGen Merger.

Marketed Products

Rotavirus Vaccine

Rotavirus is a major cause of diarrhea and vomiting in infants and children. In 1997, we licensed our oral rotavirus strain to Glaxo and Glaxo assumed responsibility for all subsequent clinical trials and all other development activities. Glaxo gained approval for its rotavirus vaccine, Rotarix®, in Mexico in July 2004, which represented the first in a series of worldwide approvals and commercial launches for the product leading up to the approval in Europe in 2006 and in the U.S. in 2008. We licensed-in our rotavirus strain in 1995 and owe a license fee of 30% to Cincinnati Children's Hospital Medical Center ("CCH") on net royalties received from Glaxo. We are obligated to maintain a license with CCH with respect to the Glaxo agreement. The term of the Glaxo agreement is through the expiration of the last of the relevant patents covered by the agreement, although Glaxo may terminate the agreement upon 90 days prior written notice.

In May 2005, we entered into an agreement whereby an affiliate of PRF purchased an interest in the milestone payments and net royalties that we will receive on the development and worldwide sales of Rotarix®. We have received a total of $60 million in milestone payments under the PRF agreement. No additional milestone payments are due from PRF under the agreement.

Royalty rates on Rotarix® escalate from 7% to 10% based on net product sales in countries that have valid patent protection. These royalty rates are discounted by 30% for "non-patent" countries (primarily international markets). In September 2006, we received notice from Glaxo that Glaxo would begin paying royalties on sales of Rotarix® vaccine at the lower of the two royalty rates under their 1997 license agreement. Glaxo's decision to pay the lower royalty rate (which is 70% of the full rate) is based upon Glaxo's assertion that Rotarix® is not covered by the patents Glaxo licensed from us in Australia and certain European countries. We are currently evaluating the basis for Glaxo's action and our potential remedies. If Glaxo's position stands, the royalties to which PRF is entitled will no longer be limited by a $27.5 million annual threshold, which we projected may have been reached in later years as sales of Rotarix® increased. Irrespective of Glaxo's position, we will still retain approximately 65% of the royalties on worldwide sales of Rotarix® once PRF receives 2.45 times the aggregate cash payments of $60 million it made to us, though the potential amount of such residual royalties will be lower if Glaxo's position stands.

In late March 2010, the FDA temporarily suspended the use of Rotarix® in the United States as a precautionary measure following the discovery of PCV-1 DNA material in the vaccine. In May 2010, the FDA determined that healthcare practitioners could resume the use of Rotarix®. Our royalties from sales of Rotarix® were negatively impacted during the three months ended September 30, 2010 by the FDA's decision to temporarily suspend the use of Rotarix® from March 2010 through May 2010 and that negative impact from the temporary suspension may extend to future quarters as well. However, our net loss and cash position were not impacted even though our royalty revenue was impacted because there was an offsetting impact on our royalty expense.

CRITICAL ACCOUNTING POLICIES

Our critical accounting policies are more fully described in Note 2 to our consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2009 and there have been no material changes to such critical accounting policies. We believe our most critical accounting policies include accounting for

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business combinations, revenue recognition, property and equipment, impairment of long-lived assets, marketable securities, research and development expenses and stock-based compensation expense.

RESULTS OF OPERATIONS

Our financial statements prior to the CuraGen Merger reflect the financial position, results of operations and cash flows of Celldex. Following the CuraGen Merger, our financial statements reflect the financial position, results of operation and cash flows of Celldex and CuraGen.

Three Months Ended September 30, 2010 compared with Three Months Ended September 30, 2009

	Three Months Ended September 30,		Increase/ (Decrease)	Increase/ (Decrease)
	2010	2009	$	%
	(In thousands)			
Revenue:				
Product Development and Licensing Agreements	$ 1,371	$ 1,339	$ 32	2%
Contracts and Grants	—	799	(799)	(100)%
Product Royalties	1,037	1,892	(855)	(45)%

Total Revenue	$ 2,408	$ 4,030	$ (1,622)	(40)%
Operating Expense:				
Research and Development	7,215	5,169	2,046	40%
Royalty	1,218	2,072	(854)	(41)%
General and Administrative	2,421	3,850	(1,429)	(37)%
Gain on Sale of Assets	(50)	—	(50)	n/a
Amortization of Acquired Intangible Assets	483	95	388	408%
Total Operating Expense	11,287	11,186	101	1%
Operating Loss	(8,879)	(7,156)	1,723	24%
Investment and Other Income, Net	124	17	107	629%
Interest Expense	(332)	(35)	297	849%
Net Loss	$ (9,087)	$ (7,174)	$ 1,913	27%

Net Loss

The $1.9 million increase in net loss for the three months ended September 30, 2010 was primarily due to an increase in research and development expense and a decrease in contracts and grants revenue, partially offset by a decrease in general and administrative expense.

Revenue

The $0.8 million decrease in contracts and grants revenue for the three months ended September 30, 2010 was due to a decrease in revenue related to our vaccine development work on Rockefeller's CDX-2401 program. The $0.9 million decrease in product royalty revenue for the three months ended September 30, 2010 was related to our retained interests in Rotarix® net royalties which were not sold to PRF and which is equal to the amount payable to CCH and recognized in royalty expense by us.

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Research and Development Expense

Research and development expenses consist primarily of (i) personnel expenses, (ii) laboratory supply expenses relating to the development of our technology, (iii) facility expenses, and (iv) product development expenses associated with our product candidates as follows:

	Three Months Ended September 30,		Increase/ (Decrease)	Increase/ (Decrease)
	2010	2009	$	%
	(In thousands)			
Personnel	$ 3,035	$ 2,328	$ 707	30%
Laboratory Supplies	390	594	(204)	(34)%
Facility	1,199	1,117	82	7%
Product Development	1,657	800	857	107%

Personnel expenses primarily include salary, benefits, stock-based compensation and payroll taxes. The $0.7 million increase in personnel expenses for the three months ended September 30, 2010 was primarily due to higher headcount. We expect personnel expenses to increase over the next twelve months as we plan to continue to increase our headcount, primarily in clinical research personnel.

Laboratory supply expenses include laboratory materials and supplies, services, and other related expenses incurred in the development of our technology. The $0.2 million decrease in laboratory supply expense for the three months ended September 30, 2010 was primarily due to the ongoing renovation of our Fall River manufacturing facility during which manufacturing activities ceased over the three months ended September 30, 2010. We expect supply expenses to increase over the next twelve months as a result of increased research and development activities, although there may be fluctuations on a quarterly basis.

Facility expenses include depreciation, amortization, utilities, rent, maintenance, and other related expenses incurred at our facilities. The $0.1 million increase in facility expenses for the three months ended September 30, 2010 was primarily due to higher research and development facility allocation as a result of the increased headcount in research and development personnel. We expect facility expenses to increase over the next twelve months as a result of continued capital expansion and increased headcount in research and development personnel, although there may be fluctuations on a quarterly basis.

Product development expenses include clinical investigator site fees, external trial monitoring costs, data accumulation costs, contracted research and outside clinical drug product manufacturing. The $0.9 million increase in product development expenses for the three months ended September 30, 2010 was primarily due to an increase of $0.7 million in clinical trial costs. We expect product development expenses to increase over the next twelve months due to the increase in clinical trial expense primarily related to our Rindopepimut program as a result of the Pfizer Termination, although there may be fluctuations on a quarterly basis.

Royalty Expense

Royalty expenses include product royalty and sublicense royalty fees on our out-licensed programs. The $0.9 million decrease in royalty expenses for the three months ended September 30, 2010 was due to a decrease in Rotarix® related royalty fees. Our retained interests in Rotarix® net royalties which were not sold to PRF are recorded as product royalty revenue and a corresponding amount that is payable to CCH is recorded as royalty expense.

General and Administrative Expense

The $1.4 million decrease in general and administrative expenses for the three months ended September 30, 2010 was primarily due to a decrease of $1.0 million in consultant and legal expense primarily related to costs incurred in connection with the CuraGen Merger in 2009. We expect general and administrative expense to remain relatively consistent over the next twelve months, although there may be fluctuations on a quarterly basis.

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Amortization Expense

The $0.4 million increase in amortization expenses for the three months ended September 30, 2010 was primarily due to intangible assets acquired in connection with the CuraGen Merger. We expect amortization expense of acquired intangible assets to remain relatively consistent over the next twelve months, although there may be fluctuations on a quarterly basis.

Investment and Other Income, Net

The $0.1 million increase in investment and other income, net for the three months ended September 30, 2010 was primarily related to income earned on our marketable securities during the three months ended September 30, 2010. During the three month ended September 30, 2009, we did not invest in marketable securities. We anticipate investment income to decrease over the next twelve months due to lower cash and investment balances caused by the utilization of cash and investment balances in the normal course of funding our operations.

Interest Expense

The $0.3 million increase in interest expense for the three months ended September 30, 2010 was primarily due to the CuraGen Debt we assumed in connection with the CuraGen Merger. We anticipate interest expense to remain relatively consistent until the CuraGen Debt matures in February 2011.

Nine Months Ended September 30, 2010 compared with Nine Months Ended September 30, 2009

	Nine Months Ended September 30,		Increase/ (Decrease)	Increase/ (Decrease)
	2010	2009	$	%
	(In thousands)			
Revenue:				
Product Development and Licensing Agreements	$ 4,117	$ 4,338	$ (221)	(5)%
Contracts and Grants	220	939	(719)	(77)%
Product Royalties	4,735	5,170	(435)	(8)%
Total Revenue	$ 9,072	$ 10,447	$ (1,375)	(13)%
Operating Expense:				
Research and Development	20,908	18,060	2,848	16%
Royalty	5,277	5,669	(392)	(7)%
General and Administrative	7,848	10,701	(2,853)	(27)%
Gain on Sale of Assets	(50)	(604)	554	92%
Amortization of Acquired Intangible Assets	2,660	286	2,374	830%
Total Operating Expense	36,643	34,112	2,531	7%
Operating Loss	(27,571)	(23,665)	3,906	17%
Investment and Other Income, Net	3,379	196	3,183	1,624%
Interest Expense	(1,002)	(113)	889	787%
Net Loss	$ (25,194)	$ (23,582)	$ 1,612	7%

Net Loss

The $1.6 million increase in net loss for the nine months ended September 30, 2010 was primarily due to increases in research and development, interest, and amortization of acquired intangible asset expense and a decrease in contracts and grants revenue, partially offset by an increase in other income and a decrease in general and administrative expenses.

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Revenue

The $0.2 million decrease in product development and licensing agreement revenue for the nine months ended September 30, 2010 was primarily due to $0.2 million in revenue recorded for the nine months ended September 30, 2009 related to the Corixa termination agreement. The $0.7 million decrease in contracts and grants revenue for the nine months ended September 30, 2010 was due to a decrease in revenue related to our vaccine development work on Rockefeller's CDX-2401 program. The $0.4 million decrease in product royalty revenue for the nine months ended September 30, 2010 was primarily related to our retained interests in Rotarix® net royalties which were not sold to PRF and which is equal to the amount payable to CCH and recognized in royalty expense by us.

Research and Development Expense

Research and development expenses consist primarily of (i) personnel expenses, (ii) laboratory supply expenses relating to the development of our technology, (iii) facility expenses, and (iv) product development expenses associated with our product candidates as follows:

	Nine Months Ended September 30,		Increase/ (Decrease)	Increase/ (Decrease)
	2010	2009	$	%
	(In thousands)			
Personnel	$ 9,185	$ 7,385	$ 1,800	24%

Laboratory Supplies	1,133	1,829	(696)	(38)%
Facility	3,934	3,489	445	13%
Product Development	4,332	4,025	307	8%

The $1.8 million increase in personnel expenses for the nine months ended September 30, 2010 was primarily due to higher headcount.

The $0.7 million decrease in laboratory supply expense for the nine months ended September 30, 2010 was primarily due to the ongoing renovation of our Fall River manufacturing facility during which manufacturing activities ceased for the six months ended September 30, 2010.

The $0.4 million increase in facility expenses for the nine months ended September 30, 2010 was primarily due to higher depreciation and amortization expenses and higher research and development facility allocation as a result of the increased headcount in research and development personnel.

The $0.3 million increase in product development expenses for the nine months ended September 30, 2010 was primarily due to increases of $0.1 million in clinical trial costs and $0.2 million in contract manufacturing.

Royalty Expense

The $0.4 million decrease in royalty expenses for the nine months ended September 30, 2010 was due to a decrease in Rotarix® related royalty fees.

General and Administrative Expense

The $2.9 million decrease in general and administrative expenses for the nine months ended September 30, 2010 was primarily due to a decrease of $2.0 million in consultant and legal expense primarily related to costs incurred in connection with the CuraGen Merger in 2009 and $0.7 million in severance expense, including related non-cash stock-based compensation expense, incurred during the nine months ended September 30, 2009 related to the departure of our former SVP, Business Development.

Amortization Expense

The $2.4 million increase in amortization expenses for the nine months ended September 30, 2010 was primarily due to intangible assets acquired in connection with the CuraGen Merger including the TopoTarget

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Agreement. In February 2010, TopoTarget entered into a co-development and commercialization agreement for Belinostat with Spectrum Pharmaceuticals, Inc. which resulted in our receipt of $3.0 million which we recorded as Other Income for the nine months ended September 30, 2010 and we recorded amortization expense related to the TopoTarget Agreement of $1.5 million for the nine months ended September 30, 2010.

Investment and Other Income, Net

The $3.2 million increase in investment and other income, net for the nine months ended September 30, 2010 was primarily due to $3.0 million received in connection with the TopoTarget Agreement.

Interest Expense

The $0.9 million increase in interest expense for the nine months ended September 30, 2010 was primarily due to the CuraGen Debt we assumed in connection with the CuraGen Merger.

LIQUIDITY AND CAPITAL RESOURCES

At September 30, 2010, our principal sources of liquidity consisted of cash, cash equivalents and marketable securities of $57.7 million. Our working capital at September 30, 2010 was $35.9 million. At September 30, 2010, we had 4% convertible subordinated debt due in February 2011 of $12.5 million. We incurred a loss of $25.2 million for the nine months ended September 30, 2010. Net cash used in operations for the nine months ended September 30, 2010 was $24.4 million. We believe that expected cash inflows from interest income on invested funds and our current cash, cash equivalents and marketable securities at September 30, 2010 and our ability to control certain costs, including those related to clinical trials, manufacturing and preclinical activities, are sufficient to meet estimated working capital requirements and fund planned operations for at least the next twelve months.

Our cash equivalents are highly liquid investments with a maturity of three months or less at the date of purchase and consist primarily of investments in money market mutual funds with commercial banks and financial institutions. We maintain cash balances with financial institutions in excess of insured limits. We do not anticipate any losses with respect to such cash balances. We invest our excess cash balances in marketable securities including municipal bond securities, U.S. government agency securities, and high-grade corporate bonds that meet high credit quality standards, as specified in our investment policy. Our investment policy seeks to manage these assets to achieve our goals of preserving principal and maintaining adequate liquidity.

The use of our cash flows for operations has primarily consisted of salaries and wages for our employees, facility and facility-related costs for our offices, laboratories and manufacturing facility, fees paid in connection with preclinical studies, clinical studies, contract manufacturing, laboratory supplies and services, consulting, legal and other professional fees. To date, the primary sources of cash flows from operations have been payments received from our collaborative partners and from government entities. The timing of any new collaboration agreements, government contracts or grants and any payments under these agreements, contracts or grants cannot be easily predicted and may vary significantly from quarter to quarter.

During the next twelve months, we will take further steps to raise additional capital to meet our long-term liquidity needs including, but not limited to, the licensing of technology programs with existing or new collaborative partners, possible business combinations, issuance of debt, or the issuance of common stock or other securities via private placements or public offerings. While we may continue to seek capital through a number of means, there can be no assurance that additional financing will be available on acceptable terms, if at all, and our negotiating position in capital-raising efforts may worsen as existing resources are used. There is also no assurance that we will be able to enter into further collaborative relationships. Additional equity financing may be

dilutive to our stockholders; debt financing, if available, may involve significant cash payment obligations and covenants that restrict our ability to operate as a business; and licensing or strategic collaborations may result in royalties or other terms which reduce our economic potential from products under development. If we are unable to raise the funds necessary to meet our long-term liquidity needs, we may have to delay or discontinue the development of one or more programs, license out programs earlier than expected, raise funds at significant discount or on other unfavorable terms, or sell all or part of us.

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Operating Activities

Net cash used in operating activities was $24.4 million for the nine months ended September 30, 2010 compared to $19.0 million for the nine months ended September 30, 2009. The increase in net cash used in operating activities was primarily due to decreases of $3.4 million in deferred revenue, $2.1 million in accounts payable and accrued expenses, and $1.7 million in other long-term liabilities for the nine months ended September 30, 2010 as compared to decreases in deferred revenue and accounts payable and accrued expenses of $0.8 million and $0.2 million, respectively, and an increase of $0.1 million other long-term liabilities for the nine months ended September 30, 2009. The decrease in other long-term liabilities was primarily due to severance payments made related to the CuraGen Merger. We expect that cash used in operations will increase over the next twelve months primarily related to costs to be incurred on our Rindopepimut program as a result of the Pfizer Termination.

We have incurred and will continue to incur significant costs in the area of research and development, including preclinical and clinical trials, as our product candidates are developed. We plan to spend significant amounts to progress our current product candidates through the clinical trial and commercialization process as well as to develop additional product candidates. As our product candidates progress through the clinical trial process, we may be obligated to make significant milestone payments to our collaborators.

Investing Activities

Net cash used in investing activities was $23.7 million for the nine months ended September 30, 2010 compared to net cash provided by investing activities of $0.4 million for the nine months ended September 30, 2009. The increase in net cash used in investing activities was primarily due to net purchases of marketable securities for the nine months ended September 30, 2010 of $22.1 million. We expect to incur future facility costs as a result of continued capital expansion, renovation and replacements. Our investment in capital equipment is discretionary and there may be significant fluctuations on a quarterly basis.

Financing Activities

Net cash provided by financing activities was $0.9 million for the nine months ended September 30, 2010 compared to $0.4 million for the nine months ended September 30, 2009. The increase in net cash provided by financing activities was primarily due to an increase in proceeds from stock option exercises.

AGGREGATE CONTRACTUAL OBLIGATIONS

Except as set forth below, the disclosures relating to our contractual obligations reported in our Annual Report on Form 10-K for the year ended December 31, 2009 which was filed with the SEC on March 12, 2010 have not materially changed since we filed that report.

In June 2010, we amended our lease with MassDevelopment for our manufacturing facility in Fall River, Massachusetts. The initial term under the amended lease expires in December 2017 and includes two renewal options of five years each.

In October 2010, we amended our lease in Phillipsburg, New Jersey. The initial term under the amended lease expires in August 2016 and includes one renewal option of five years.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

We own financial instruments that are sensitive to market risk as part of our investment portfolio. Our investment portfolio is used to preserve our capital until it is used to fund operations, including our research and development activities. None of these market-risk sensitive instruments are held for trading purposes. We invest our cash primarily in money market mutual funds. These investments are evaluated quarterly to determine the fair value of the portfolio. From time to time, we invest our excess cash balances in marketable securities including municipal bond securities, U.S. government agency securities, and high-grade corporate bonds that meet high credit quality standards, as specified in our investment policy. Our investment policy seeks to manage these assets to achieve our

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goals of preserving principal and maintaining adequate liquidity. Because of the short-term nature of these investments, we do not believe we have material exposure due to market risk. The impact to our financial position and results of operations from likely changes in interest rates is not material.

We do not utilize derivative financial instruments. The carrying amounts reflected in the consolidated balance sheet of cash and cash equivalents, accounts receivables and accounts payable approximates fair value at September 30, 2010 due to the short-term maturities of these instruments.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures.

As of September 30, 2010, we evaluated, with the participation of our Chief Executive Officer and Chief Financial Officer, the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange

Act")). Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective at the reasonable assurance level as of September 30, 2010. Our disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within time periods specified by the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting.

There were no changes in our internal control over financial reporting during the nine months ended September 30, 2010 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings

None.

Item 1A. Risk Factors

In addition to the other information set forth in this report, you should carefully consider the factors discussed in Part I, "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2009, which could materially affect our business, financial condition or future results. The risks described in our Annual Report on Form 10-K and other reports filed with the SEC may not be the only risks facing the Company. Additional risks and uncertainties not currently known to the Company or that the Company currently deems to be immaterial also may materially adversely affect the Company's business, financial condition and/or operating results.

Except as set forth below, there have been no material changes to the risk factors previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2009 filed with the SEC on March 12, 2010.

Pfizer's termination of its global development and commercialization agreement with us may cause uncertainty surrounding, as well as delays in and increased costs for, the development of our lead clinical development program, which could adversely affect the value of our common stock, our cash position and results of operations.

We had licensed our lead clinical development program, Rindopepimut, a therapeutic cancer vaccine candidate, to Pfizer pursuant to a License and Development Agreement dated April 16, 2008 ("Pfizer Agreement")

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under which Pfizer was granted an exclusive worldwide license to Rindopepimut and Pfizer would have funded all development costs for the program and would have commercialized the product. On September 1, 2010, Pfizer provided a sixty day written notice to terminate the Pfizer Agreement. Pfizer is in the process of transitioning back to us all current as well as planned activities related to the development of Rindopepimut. In November 2010, all rights to the Rindopepimut program were returned to us. We are currently evaluating our options with respect to Rindopepimut, which may include licensing all or specific portions of the rights to the Rindopepimut program to another third party collaborator or retaining the rights and funding the development of the Rindopepimut program ourselves. If we retain the rights to the Rindopepimut program and are fully responsible for its development and commercialization, we may face delays, difficulties or unanticipated costs in completing the development and commercialization of the product and will need substantial additional financing. If we elect to enter into an agreement with a new third party collaborator for the licensing, development and commercialization of the product, the process of identifying a new collaborator and negotiating a new collaboration agreement may cause delays and increased costs. In addition, we may not be able to enter into a new collaboration agreement on terms as favorable as the terms in the Pfizer Agreement.

We rely on third parties to plan, conduct and monitor our clinical tests, and their failure to perform as required would interfere with our product development.

We rely on third parties to conduct a significant portion of our clinical development activities. These activities include clinical patient recruitment and observation, clinical trial monitoring, clinical data management and analysis, safety monitoring and project management. We conduct project management and medical and safety monitoring in-house for some of our programs and rely on third parties for the remainder of our clinical development activities.

If any of these third parties fails to perform as we expect or if their work fails to meet regulatory standards, our testing could be delayed, cancelled or rendered ineffective.

We depend greatly on third party collaborators to license, develop and commercialize some of our products, and they may not meet our expectations.

We have agreements with third party collaborators for the licensing, development and ultimate commercialization of some of our products. Some of those agreements give substantial responsibility over the products to the collaborator. Some collaborators may be unable or unwilling to devote sufficient resources to develop our products as their agreements require. They often face business risks similar to ours, and this could interfere with their efforts. Also, collaborators may choose to devote their resources to products that compete with ours. If a collaborator does not successfully develop any one of our products, we will need to find another collaborator to do so. The success of our search for a new collaborator will depend on our legal right to do so at the time and whether the product remains commercially viable.

The success of our products depends in great part upon our and our collaborators' success in promoting them as superior to other treatment alternatives. We believe that our products can be proven to offer disease prevention and treatment with notable advantages over drugs in terms of patient compliance and effectiveness. However, there can be no assurance that we will be able to prove these advantages or that the advantages will be sufficient to support the successful commercialization of our products.

We may face delays, difficulties or unanticipated costs in establishing sales, distribution and manufacturing capabilities for our commercially ready products.

To date, we have chosen to retain, rather than license, all rights to some of our lead products, such as CDX-011 and our APC Targeting Technology programs. Following the Pfizer Termination, we also may chose to retain, rather than license to another third party, all rights to the Rindopepimut product. If we proceed with this strategy, we will have full responsibility for commercialization of these products if and when they are approved for sale. We currently lack the marketing, sales and distribution capabilities that we will need to carry out this strategy. To market any of our products directly, we must develop a substantial marketing and sales force with technical

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expertise and a supporting distribution capability. We have little expertise in this area, and we may not succeed. We may find it necessary to enter into strategic partnerships on uncertain but potentially unfavorable terms to sell, market and distribute our products when they are approved for sale.

Some of our products are difficult to manufacture, especially in large quantities, and we have not yet developed commercial scale manufacturing processes for any of our products. We do not currently plan to develop internal manufacturing capabilities to produce any of our products at commercial scale if they are approved for sale. To the extent that we choose to market and distribute these products ourselves, this strategy will make us dependent on other companies to produce our products in adequate quantities, in compliance with regulatory requirements, and at a competitive cost. We may not find third parties capable of meeting those manufacturing needs.

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Item 6. Exhibits

2.1	Agreement and Plan of Merger, dated as of May 28, 2009, by and among Celldex Therapeutics, Inc., CuraGen Corporation and Cottrell Merger Sub, Inc. incorporated by reference to Exhibit 2.1 of the Company's Current Report on Form 8-K filed May 29, 2009 with the Securities and Exchange Commission.
3.1	Third Restated Certificate of Incorporation of the Company, incorporated by reference to Exhibit 3.1 of the Company's Registration Statement on Form S-4 (Reg. No. 333-59215), filed July 16, 1998 with the Securities and Exchange Commission.
3.2	Certificate of Amendment of Third Restated Certificate of Incorporation of the Company, incorporated by reference to Exhibit 3.1 of the Company's Registration Statement on Form S-4 (Reg. No. 333-59215), filed July 16, 1998 with the Securities and Exchange Commission.
3.3	Second Certificate of Amendment of Third Restated Certificate of Incorporation of the Company, incorporated by reference to Exhibit 3.2 of the Company's Registration Statement on Form S-4 (Reg. No. 333-59215), filed July 16, 1998 with the Securities and Exchange Commission.
3.4	Third Certificate of Amendment of Third Restated Certificate of Incorporation of the Company, incorporated by reference to Exhibit 3.1 of the Company's Quarterly Report on Form 10-Q, filed May 10, 2002 with the Securities and Exchange Commission.
3.5	Fourth Certificate of Amendment of Third Restated Certificate of Incorporation of the Company, incorporated by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K, filed on March 11, 2008 with the Securities and Exchange Commission.
3.6	Fifth Certificate of Amendment of Third Restated Certificate of Incorporation of the Company, incorporated by reference to Exhibit 3.2 of the Company's Current Report on Form 8-K, filed on March 11, 2008 with the Securities and Exchange Commission.
3.7	Sixth Certificate of Amendment of Third Restated Certificate of Incorporation of the Company, incorporated by reference to Exhibit 3.7 of the Company's Quarterly Report on Form 10-Q, filed November 10, 2008 with the Securities and Exchange Commission.
4.3	Amendment No. 2 to Shareholder Rights Agreement dated November 5, 2004, between the Company and Computershare Trust Company, N.A. (formerly EquiServe Trust Company, N.A.), as Rights Agent, incorporated by reference to Exhibit 10.1 of the Company's Registration Statement on Form 8-A1G/A, filed on March 7, 2008 with the Securities and Exchange Commission.
*31.1	Certification of President and Chief Executive Officer
*31.2	Certification of Senior Vice President and Chief Financial Officer
**32.1	Section 1350 Certifications

* Filed herewith.
** Furnished herewith.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CELLDEX THERAPEUTICS, INC.

BY:

/s/ ANTHONY S. MARUCCI
Anthony S. Marucci

Dated: November 4, 2010

President and Chief Executive Officer
(Principal Executive Officer)

/s/ AVERY W. CATLIN

Dated: November 4, 2010

Avery W. Catlin
Senior Vice President, Treasurer and Chief Financial Officer
(Principal Financial and Accounting Officer)

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EXHIBIT INDEX

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*31.1	Certification of President and Chief Executive Officer
*31.2	Certification of Senior Vice President and Chief Financial Officer
**32.1	Section 1350 Certifications

* Filed herewith.
** Furnished herewith.

Exhibit 31.1

CERTIFICATION

I, Anthony S. Marucci, certify that:

1. I have reviewed this report on Form 10-Q of Celldex Therapeutics, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 4, 2010

By /s/ ANTHONY S. MARUCCI
Name: Anthony S. Marucci
Title: President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Avery W. Catlin, certify that:

1. I have reviewed this report on Form 10-Q of Celldex Therapeutics, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 4, 2010

By: /s/ AVERY W. CATLIN
Name: Avery W. Catlin
Title: Senior Vice President and Chief Financial Officer

Exhibit 32.1

SECTION 1350 CERTIFICATIONS

Pursuant to 18 U.S.C. §1350 as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, the undersigned officers of Celldex Therapeutics, Inc. (the "Company") hereby certify that to their knowledge and in their respective capacities that the Company's quarterly report on Form 10-Q to which this certification is attached (the "Report"), fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 4, 2010

By: /s/ ANTHONY S. MARUCCI
Name: Anthony S. Marucci
Title: President and Chief Executive Officer

Date: November 4, 2010

By: /s/ AVERY W. CATLIN
Name: Avery W. Catlin
Title: Senior Vice President and
Chief Financial Officer

This certification shall not be deemed "filed" for any purpose, nor shall it be deemed to be incorporated by reference into any filing under the Securities Act of 1933 or the Exchange Act. A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Celldex Therapeutics, Inc. and will be retained by Celldex Therapeutics, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.