



Commercialisation Strategies and Technicalities:

What works and why?

Dan Grant

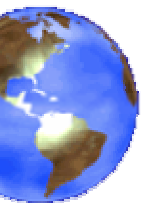
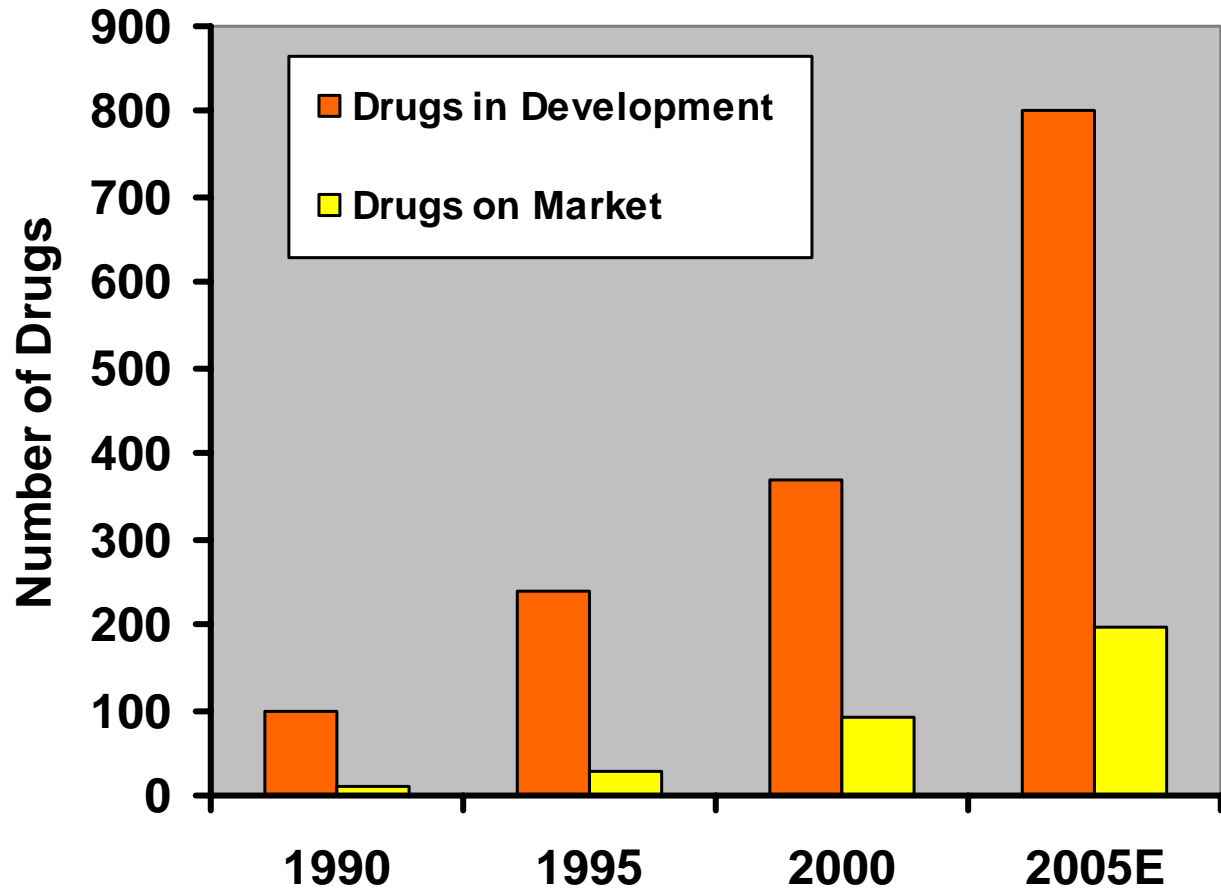
Commercialisation Manager

Biocomm Services

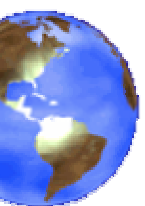
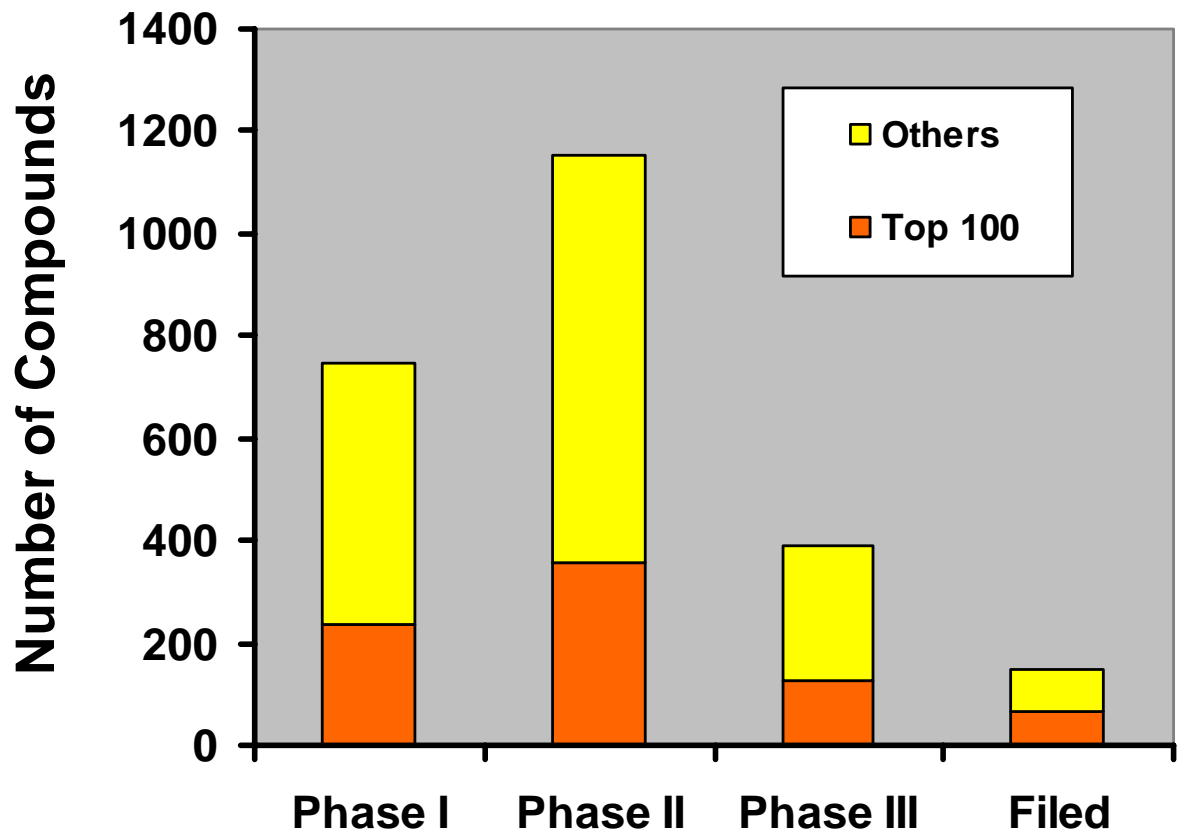


Partnering is Inevitable

Biotech is a Growing Source of Drugs for Licensing



Majority of Compounds are in Smaller Companies



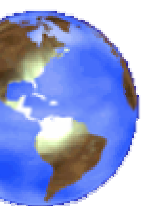
Patent Expiration Drives Need



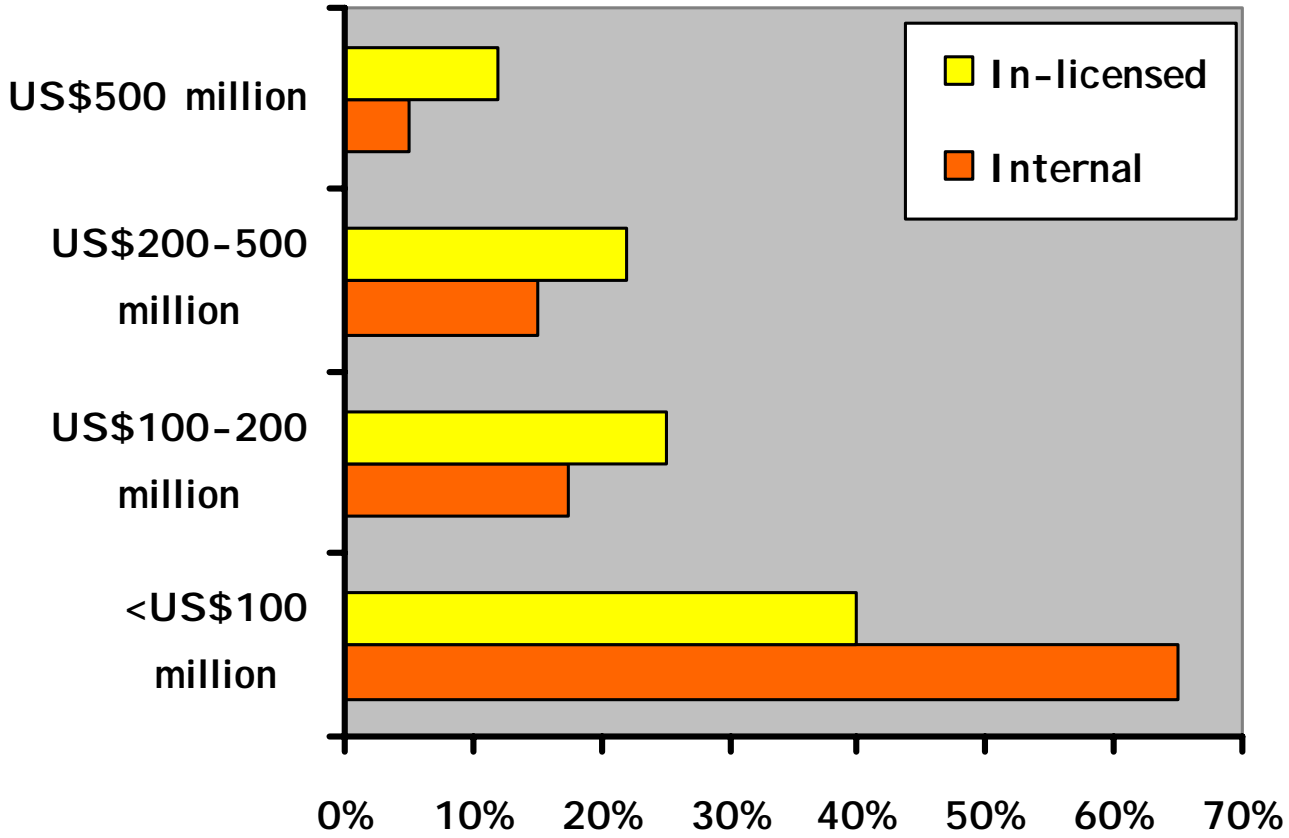
Year	Brand Name	Indication	Revenue
2001	Neurotonin	Partial Seizures	\$1.59 b
2004	Diflucan	Fungal Infection	\$567 m
2005	Zoloft	Depression	\$1.9 b
2006	Norvasc	Hypertension	\$1.6 b
	Zithromax	Bacterial Infections	\$1.1 b
2007	Zyrtec	Allergic rhinitis	\$990 m



Year	Brand Name	Indication	Revenue
2002	Augmentin	Bacterial Infections	\$1.3 b
2003	Flovent	Dermatosis	\$677 m
	Flonase	Allergic rhinitis	\$539 m
2006	Paxil	Depression	\$1.8 b
	Imitrex	Migraine	\$828 m
	Zofran	Nausea	\$616 m



In-licensed Products Do Well



% of Products Approved 1999- 2003

Source: Booz Allen Hamilton



In-licensed Products Do Well But...

Out of 100 alliance negotiations, 90 will fail to reach agreement; only two will survive more than four years. (A.D. Little, Partnering, 2001)

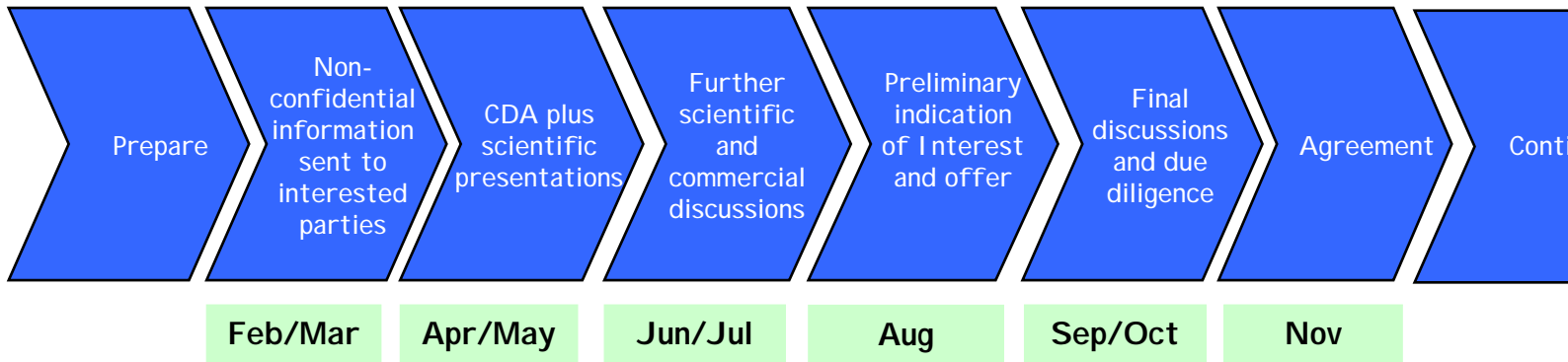
31% of alliances fail outright. (Accenture, 1999 Global alliance Survey)

30% will survive but not reach satisfactory objectives. (The Warren Company, 1999)

<25% will be deemed successful. (The Warren Company, 1999)



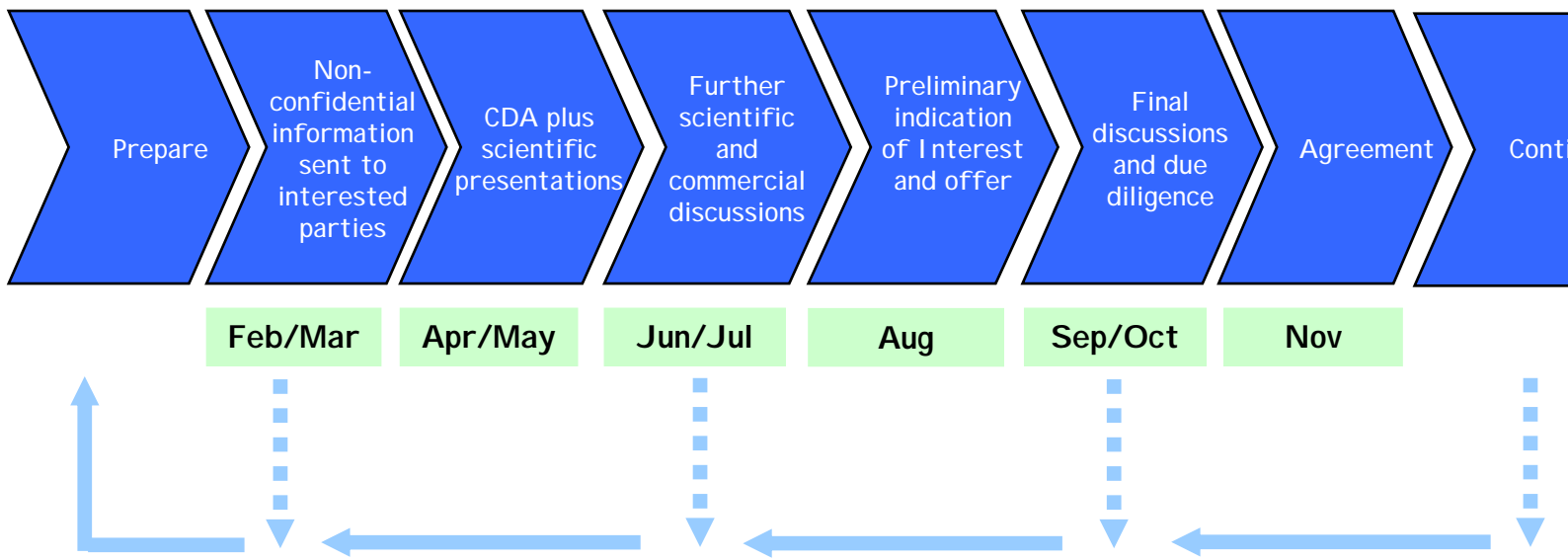
Partnering is About Timing



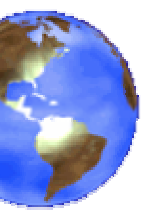
- Timing of the partnering process (13 months)
- Timing in relation to the patent time bomb



Partnering is About Timing



- Timing of the partnering process (13 months)
- Timing in relation to the patent time bomb
- Timing in relation to market/tech development



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Getting it Right



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Getting it Right = Strong Competitive Intelligence

- Understanding what you own
- Understanding your competitors
- Understanding you potential partners
 - IP, technical assets and tacit knowledge
 - Market need
 - Competitive/strategic advantage
 - Price (deal precedents)
 - Unmet need



Summary

- Partnering is critical for survival.
- Partnering is all about positioning.
- Partnering is all about timing.
- Every commercialisation strategy should consider partnering and be underpinned by strong competitive intelligence.



Partnering as a Commercialisation Strategy

- Partnering is inevitable
- Partnering is critical for survival
 - validation of your tech/skills and abilities
- Partnering is all about 2 concepts
 - Positioning
 - Timing

