Competitive Intelligence within Biotech companies

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Madrid, November 2007
Disclaimer

I am an employee of Bristol-Myers Squibb (BMS). The views expressed in this talk are my own opinions and understandings of the subject and are not related to my employer and may not necessarily coincide with the views of BMS.
My talk

- CI & biotechnology
- CI and market trends
- Value added of CI?
- How to do it
- Resources
Competitive Intelligence?

- Competitive Intelligence: A systematic and ethical program for gathering, analyzing, and managing external information that can affect your company's plans, decisions, and operations.
### CI in the biotech & pharma sector

Competitive-intelligence leadership and budget resources are often linked. Stronger leadership can garner more funding, as well as greater team sizes.

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Description</th>
</tr>
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<tbody>
<tr>
<td>87.5%</td>
<td>Of companies rely on information portals and the Internet to track the competitive maneuvers in their markets.</td>
</tr>
<tr>
<td>75%</td>
<td>Of pharmaceutical companies employ a centralized structure for their CI teams.</td>
</tr>
<tr>
<td>69%</td>
<td>Of companies’ CI units report up through marketing.</td>
</tr>
<tr>
<td>13%</td>
<td>Of companies’ CI units report directly to the CEO or executive board.</td>
</tr>
<tr>
<td>6%</td>
<td>Of companies report to R&amp;D.</td>
</tr>
<tr>
<td>6%</td>
<td>Of companies report to business development and sales.</td>
</tr>
<tr>
<td>6%</td>
<td>Of companies report to sales.</td>
</tr>
<tr>
<td>62%</td>
<td>Of companies begin collecting CI from a tactical perspective to support a product during its preclinical stage.</td>
</tr>
<tr>
<td>56%</td>
<td>Of companies employ CI teams led by managers and directors.</td>
</tr>
<tr>
<td>44%</td>
<td>Of companies employ someone more senior, such as a senior manager, director, or executive director.</td>
</tr>
</tbody>
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**Note:** Percentages represent those of the responses to Cutting Edge Information’s survey of 18 pharmaceutical and biotechnology firms.

Source: Cutting Edge Information, “Pharmaceutical Competitive Intelligence: Building Strategic Advantage,” Durham, N.C. For more information, visit cuttingedgeinfo.com.
Biotechnology market

- Investment in Biotech industry increasing
- Move away from sole blockbuster model in the pharmaceutical industry
- Look to biologics medicines as growth driver
- Niche markets with high unmet need
- Market access more difficult due to cost containment
- New partnership models
Pillars of Biotech Success...

- Intellectual Property & Protection
- Financing
- Access to market
CI Information requirements for biotech companies

• Science related
• Business related
Where does CI add value?

- **Research**
  - Disease Analysis
  - Platforms
  - Technologies
  - Targets

- **Licensing**
  - Clinical Endpoints
  - Potential Claims
  - Time to Market
  - Clinical Issues

- **Development**
  - New Formulations
  - Patents
  - Regulatory issues
  - Generic or Biosimilares

- **Marketing**
  - Potential Products
  - Mechanism of Action
  - Company Reviews
  - Competitive Bidders

- **LCM/ BO**
  - Phase IV
  - Market Dynamics
  - Environment

- **Investors**
  - Reaction to News
  - Rumors
  - Influence Opinion
(Mis)perception: The composition of matter patent expires in year x and the brand will be lost to generics. There is a process patent, but it is easy to get around.

Reality: The purification process and scaling up was challenging and generics would be delayed in launching due to lack of reliable bulk source.

Result: Brand had 2 extra years of exclusivity and additional resources maintained growth rate.
How to establish a CI process and support systems

- Obtain CI request
- Collect Necessary Information
- Analyze and Synthesize Information
- Communicate Intelligence
Methods and models used

- SWOT
- Porter’s 5 Forces Model
- Value Chain Analysis
- Blindspots Analysis
- Executive Management Profiling
- Financial Ratio Analysis
- Environmental & Event Analysis
- Plus more…
“End product” of CI process

Intelligence digest

<table>
<thead>
<tr>
<th>Report number / Internal reference:</th>
<th>Date delivered:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category: clinical; science; business; patents</td>
<td>Period covered:</td>
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</tbody>
</table>

Contributors:

<table>
<thead>
<tr>
<th>Events:</th>
<th>Relevance to company:</th>
<th>Interpretation: action options (threat; opportunity; reactive; pro-active)</th>
</tr>
</thead>
</table>

Relevance to prior actions:

Current digest methodology (sources, interviews, etc.):
Resources – the real sources (people)

Your network [www.linkedin.com](http://www.linkedin.com)

- Prof associations
- Peers
- Entrepreneurs
- Conferences
- Consultant
- Lawyer
- Sales reps
- Clinical experts
- Venture capitalists
- Investment banks
- Your management
- Industry associations...

Your network is KEY to success, get connected, get involved !!!
Resources on the web

http://www.library.cmu.edu/Research/Business/Business/pharma.html#get
http://www.firstwordplus.com/AboutFirstWord.do
http://www.scip.org/
http://www.fiercebiotech.com
http://www.buildingbiotechnology.com/resources.php
http://www.datamonitor.com
Conclusions

“Typically, whoever knows more in advance and responds to that knowledge quickly wins”
Thank you!

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