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Project out-partnering

Clinical Trials Day (SwedenBio), October 2, 2008

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Why do we out-partner?

- Exit

New strategy, shift in focus and priorities

- Increase speed to market
- Improve chance of reaching the market
- Improve quality of product
- Maximize sales

Maximize product value

Lack of money and other resources



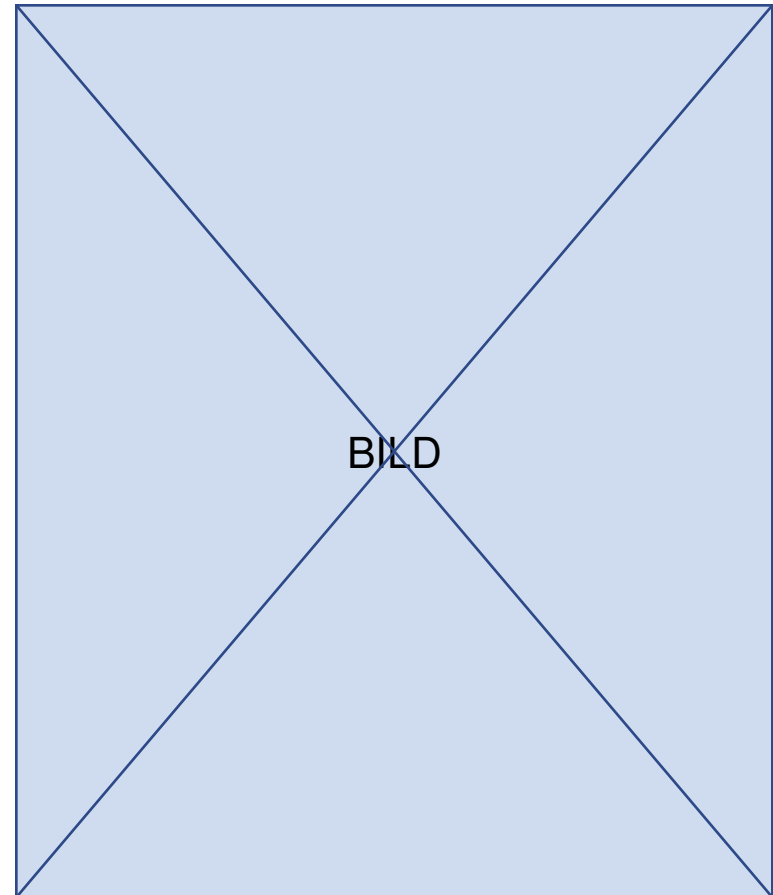
Risk mitigation

- Access capital (*e.g.* funding for project, people, strategic investments)
- Access capabilities (*e.g.* Research, Development, Regulatory, Sales, Marketing)
- Access competence and skill (*e.g.* Research, Development, Regulatory, Sales, Marketing)

Build and develop company

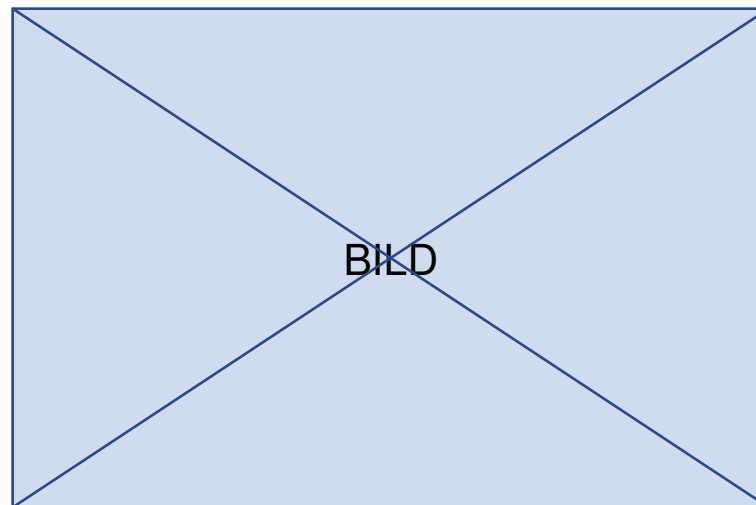
Know what you want

- What do we want to achieve?
- When do we want to partner?
- How much risk are we willing to take?
- How do we structure the deal?
- Profile of partner?
- Process?

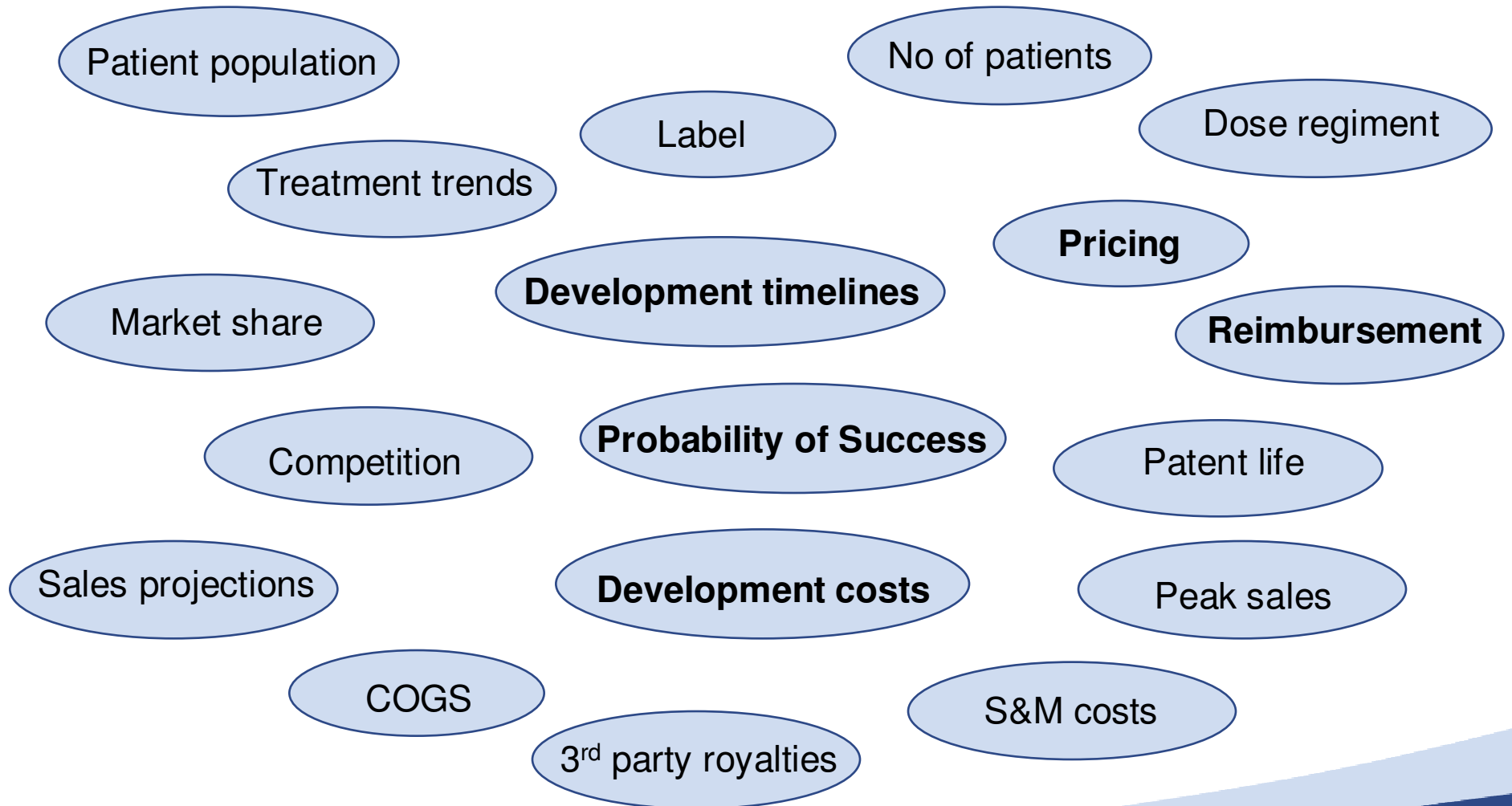


Know what your partner wants

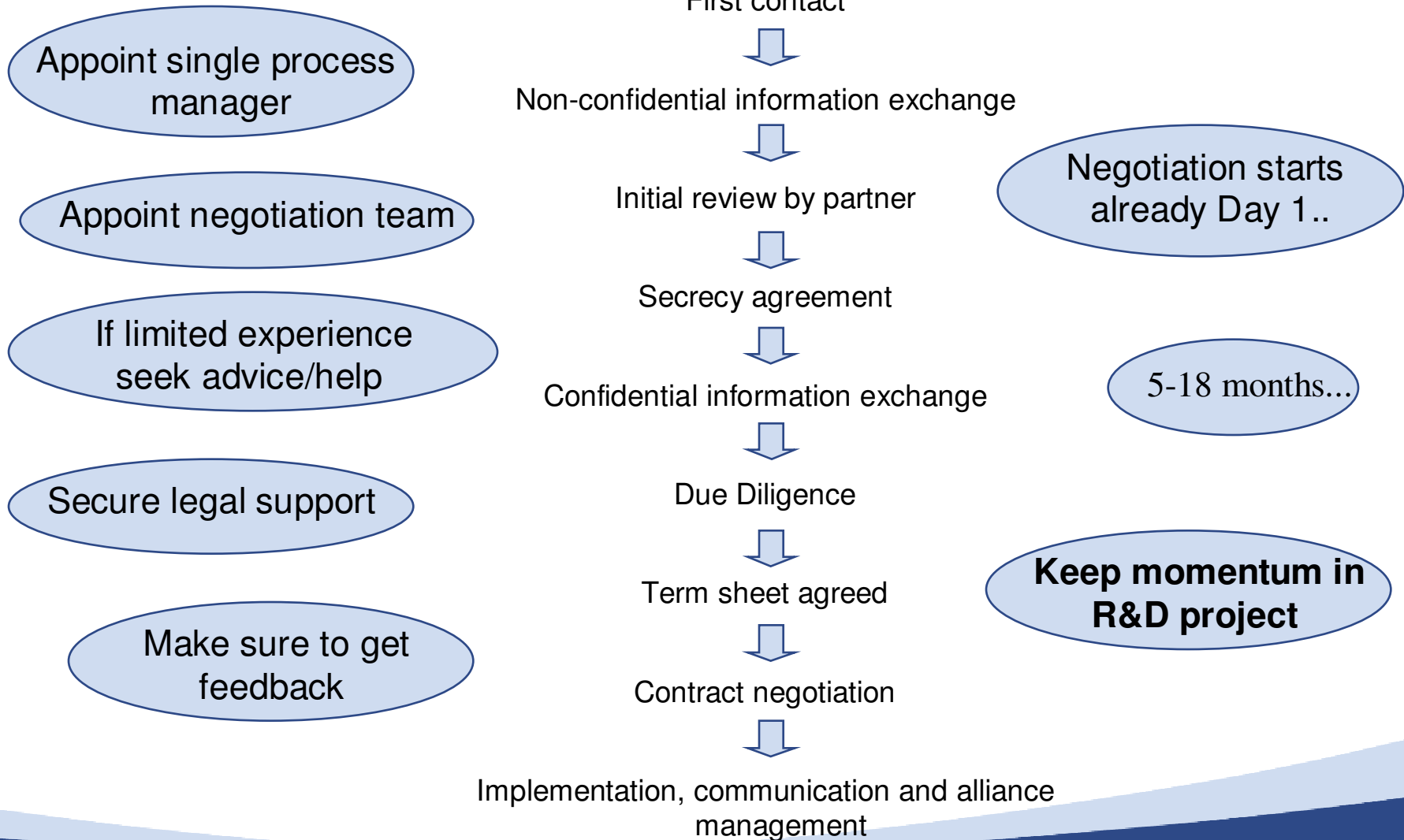
- Business Intelligence is important
- Meeting and speaking to potential partners even more so
- Guidance regarding timing of partnering, trial designs, back-up program et cetera
- Help you develop an attractive product that fit the needs of the future licensee



Know the value of your product



Process



Information exchange

Non-confidential

- 1-2 pages
- Summary of key features
- Therapeutic area and competitive advantage
- Stage of development and regulatory status
- Key supportive data
- Intellectual Property
- Contact details
- References

Confidential

- Summary overview
- Therapeutic rationale
- Scientific rationale
- CMC
- Clinical data
- Preclinical data
- Regulatory status
- Patent status
- Future plans

Enough information to assess and stimulate

Prepare presentation in good time and rehears

Do not necessarily disclose everything

Short enough to actually read

Negotiation

- Know what you want
- Prepare your strategy and arguments
- Have the other party propose terms
- Be prepared to walk away!

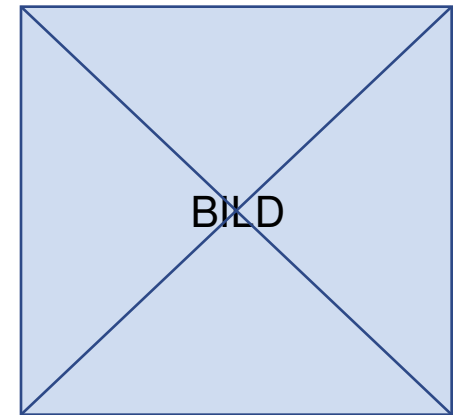


The selling point – focus on Product and Market

“Unique binding mode” and “novel target” etc is NOT a selling point!

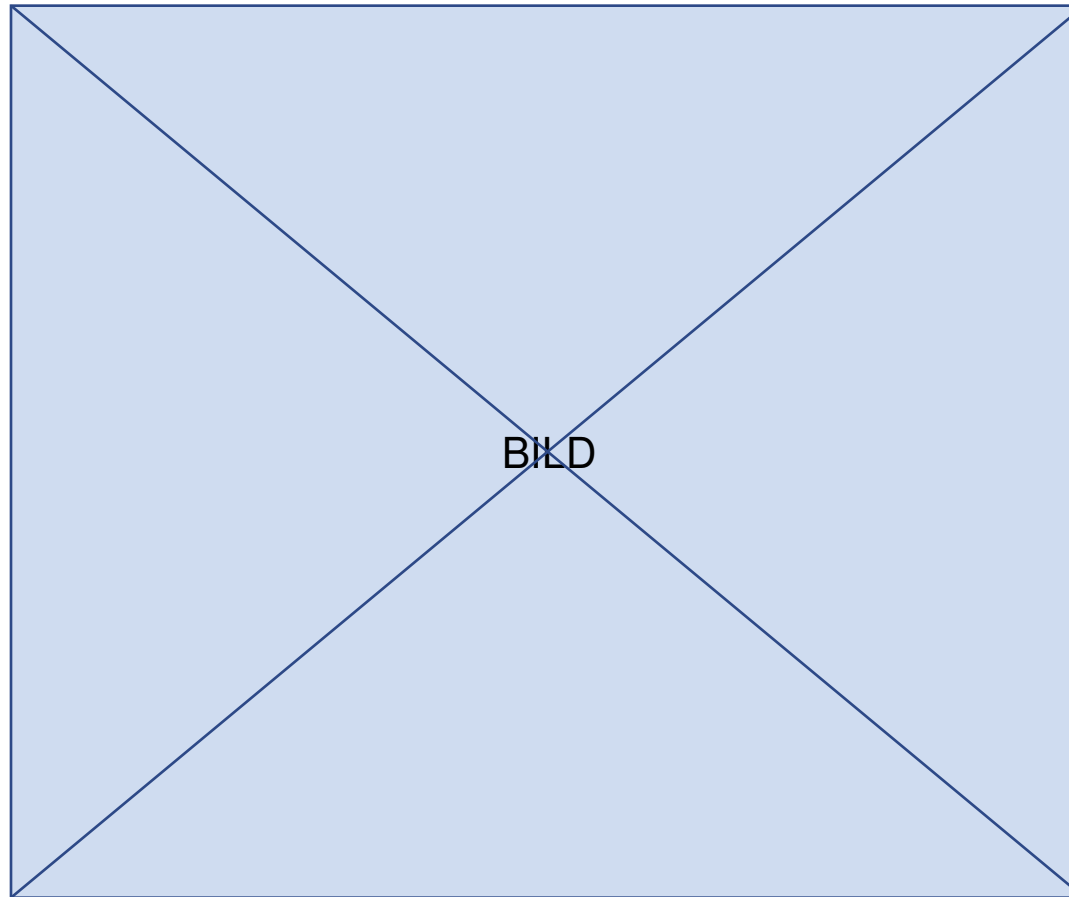
Good, intriguing and exciting science is nice, BUT....
worth nothing, UNLESS....

there is a PRODUCT and MARKET story to tell



What can the product do for the patient?
What does the product add to current therapy?
How does it differentiate from future competitors?
Can it be produced in commercial scale at reasonable cost?
Is there a willingness to pay?
Et cetera

The End



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Successfully Planning of Project Out-partnering

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