

Due Diligence Preparation for Future Partnering Discussions

Assignment

- Early-stage biotechnology client was in Phase 2b with its novel anti-hypertensive. Project involved developing a validated, data-driven analysis of the therapy's potential value to prepare for strategic partnering discussions and a possible acquisition offer upon release of Phase 2b trial results

Key Tasks

- Clarify the opportunity and challenges of a therapy targeted to treat patients suffering from systolic hypertension
- Define the patient segments, and predict physician prescribing and the role of the therapy in the future treatment hierarchy
- Assess the future competitive environment for innovative anti-hypertensives, including products that would compete directly against the therapy as well as those that may be repositioned to compete against it
- Develop a revenue forecast model that takes into account the relevant patient segmentation for the therapy, likely market share, rate of acceptance and other relevant criteria gleaned from the qualitative research and an analysis of “comparable” drugs

Methodology

- Extensive secondary research including an analysis of adoption rates of recently introduced anti-hypertensives; in-depth interviews with KOLs, cardiologists and PCPs

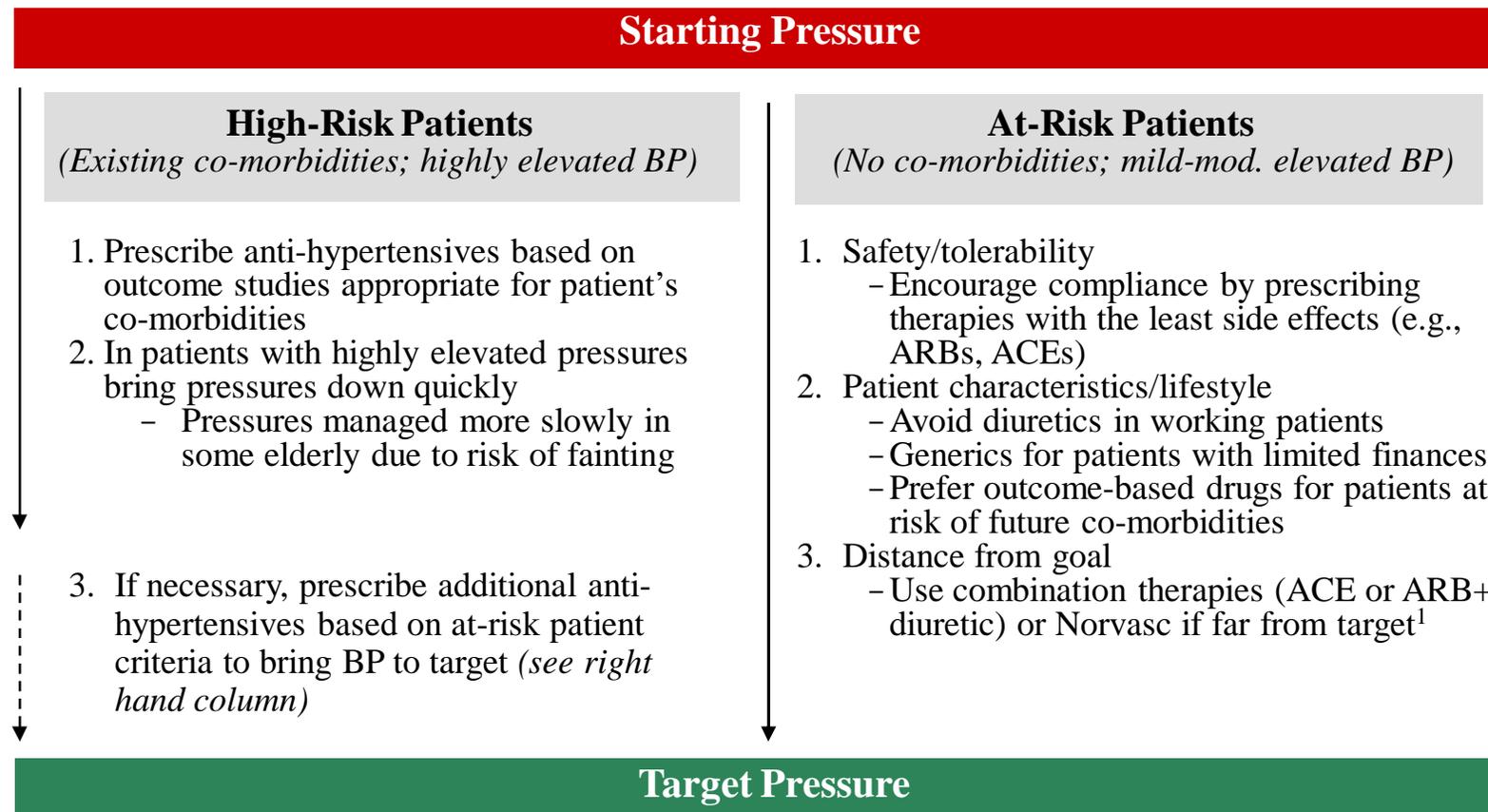


Deliverables

- ▶ Developed the arguments, data and insight to prepare the client for strategic partnering discussions and to support the product's likely positioning, usage and valuation
- ▶ Created an interactive model to be used in negotiations to test the sensitivity of forecasted revenues to changes in product attributes, launch date, patient profiles, competitive scenarios, adoption rate, compliance, persistence and other key variables

Treatment Logic

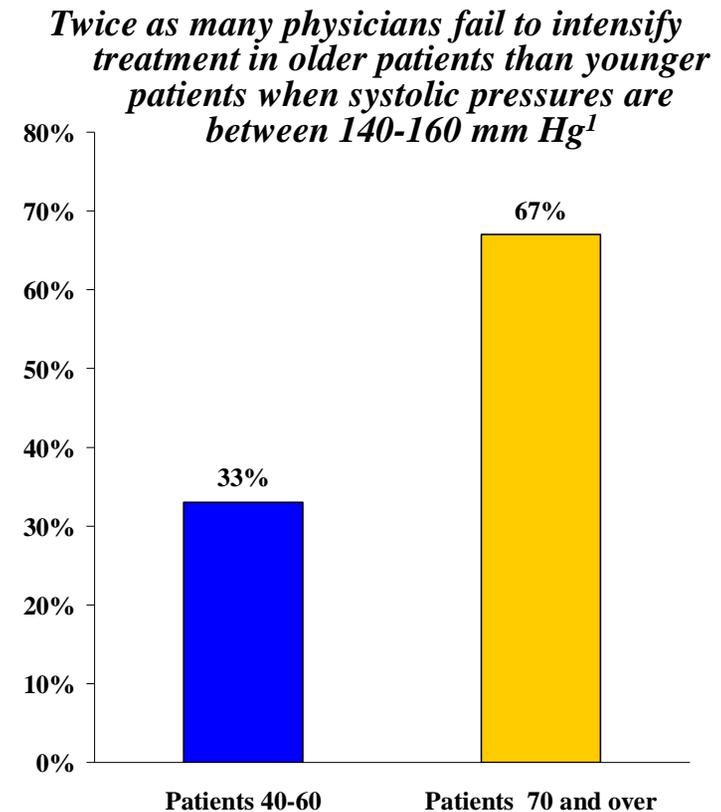
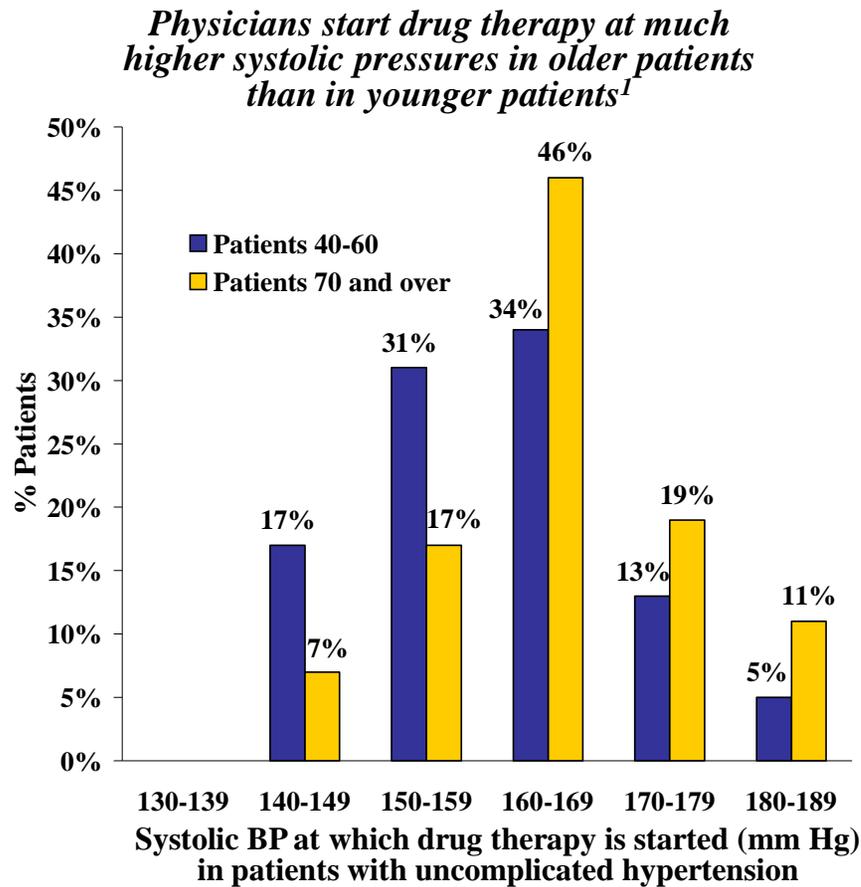
Choice of initial treatment is based first on choosing anti-hypertensives that preserve organs that may be at risk due to presenting co-morbidities. In patients, without co-morbidities, safety is frequently the key influencing consideration



¹ Reflects standard of care at the time the project was completed

Systolic Hypertension

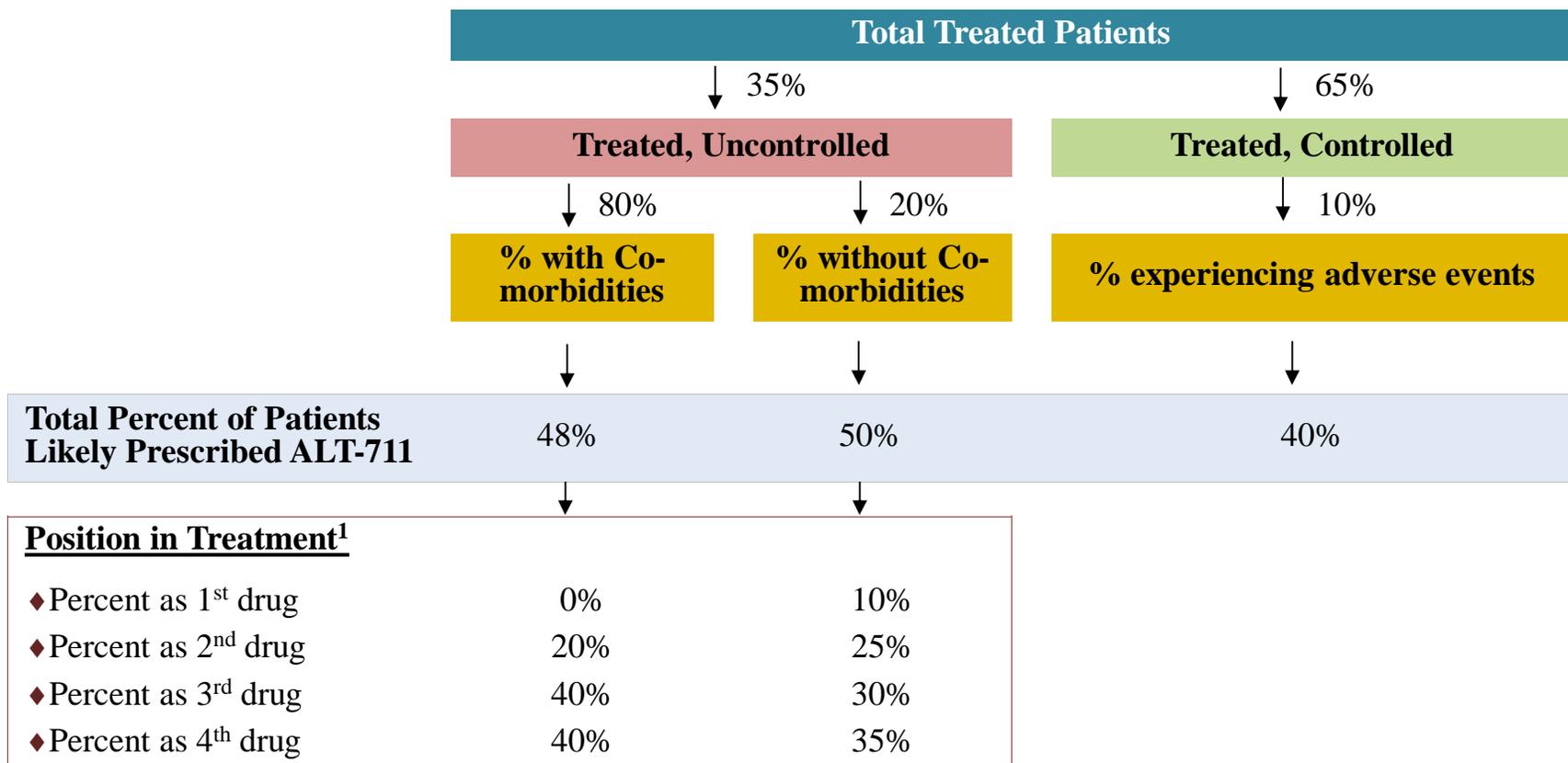
Physicians maintain that they treat all systolic hypertension patients aggressively. Some, however, acknowledge, and evidence indicates, that this is not always the case



¹ Hyman et al. Arch Int Med 2000; 160:2281-2286

Physician Estimates of Product X Usage

Physicians estimate that they would use Product X overall in ~20% of treated patients



¹Average values