

Trinity TaRget: Business Development and Licensing at Trinity Partners

Life sciences companies today need to have an active strategy around BD and licensing. In fact, among most big pharma and biotech companies, **the majority of launched products** originate from in-licensed or BD-acquired products. In larger organizations, BD and licensing form critical complements to in-house development programs, supplementing the pipeline in a nimble, targeted fashion. The right asset or acquisition can round out a franchise portfolio or form the cornerstone of a new franchise.

Given the strategic importance of BD, it is imperative that life sciences companies be attuned to BD and licensing opportunities. But not all pharma and biotech companies, particularly the smaller to medium sized companies, have the scale for this function to be a dedicated department in-house. And even if there are individuals who have those skills, the reality is that they are stretched thin and likely have limited time to conduct thorough assessments while keeping a vigilant eye on potential prospects / new technology developments of interest.

What is BD / L&A / Due Diligence all about?

For companies looking to acquire an asset or technologies, or for a partner to merge with, how exactly do you go about it? How does one figure out what to acquire, when to license, and for how much? How do you evaluate your options and make the deal that is best for you and your company?

Since our inception in 1996, Trinity Partners has been providing BD Assessments, Due Diligence and L&A Support to our BioPharma clients. Our approach involves evaluating the situation through multiple lenses:

- ❖ **Scanning the market** for potential assets of interest to our client
- ❖ **Evaluating potential assets** for acquisition or licensing from a commercial perspective
- ❖ **Investigating the asset** to determine both its intrinsic value and potential synergies with current products in the portfolio
- ❖ Understanding and quantifying the **risks and benefits**, both internal and external
- ❖ Constructing a **full-scale P&L model** to provide a valuation for an asset(s)
- ❖ Ultimately providing a **go / no-go recommendation** to our client

"I come to Trinity for my BD assessments because they bring instant, deep knowledge and expertise in the therapeutic areas I'm looking at. And they provide comprehensive and robust evaluations, time and time again. Trinity understands the limited timelines often associated with diligence assessments, and consistently delivers solid insights and valuations under the tightest timelines." -- Large Biotech Client

Here are the questions we typically address through our work:

Market Environment	<ul style="list-style-type: none"> • What is the expected market / regulatory environment at launch? • What is the outlook for Market Access and the evidence requirements for positive coverage?
Competitive Pressures	<ul style="list-style-type: none"> • Who are the current and future competitors? What have analysts predicted about the future state of this category? What are their key differentiators and how might the asset of our interest create value?
Opportunity	<ul style="list-style-type: none"> • What is the potential upside for this asset? What are the risks and costs associated with commercializing this asset?
Fit	<ul style="list-style-type: none"> • How well does this asset fit within our current portfolio and company mission? What synergies exist between current assets and the asset of interest, which might drive efficiencies for sales force / physician targeting?

Why Trinity?

Our clients have told us a few key reasons why they value our work, and why they come back to us for subsequent BD projects. In a nutshell, they identify these drivers:

<ul style="list-style-type: none"> ✓ Knowledge Base and market expertise ✓ Speed to insight ✓ Ability to enhance the basic offering when needed 	<ul style="list-style-type: none"> ✓ Tailored approach ✓ Partnership and learnings across opportunities
--	---

Below, we describe each of these elements in greater detail.



"I've been doing L&A work for many years now. It's high visibility work, and it's fast-paced. This could make or break a deal! What motivates me is being able to get clients the key information that will help them make good deals ... and walk away from unfavorable ones." – Lauren Grant, Principal

How We Do It

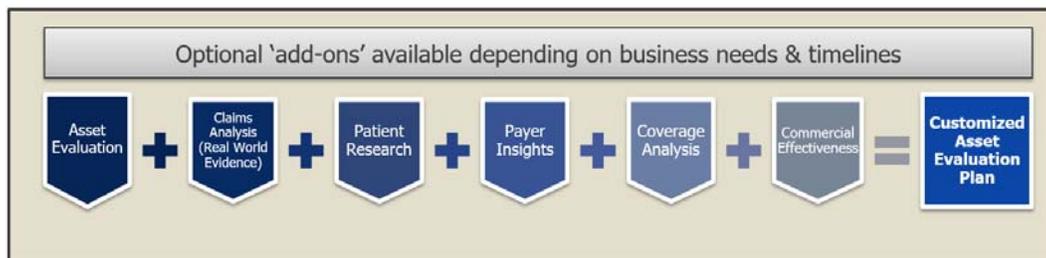
To help our clients figure out what depth and robustness is right for them as they evaluate a particular asset, we have developed a ‘menu’ that we like to offer our clients. They can pick what they need, given the time and budget at their disposal. Perhaps you have just 2 weeks and need a quick share estimate and valuation; or maybe you need QuickQuant, a quantitative survey used to gauge physicians’ intended utilization of a novel product, with standardized format and outputs. But if you need additional pressure testing with physicians, a more customized forecast, and have 3-4 weeks on your side, then perhaps our more in-depth and comprehensive offering suits your needs. We can flex, depending on how much depth you want and need and whether you need a fully vetted answer for a board meeting two months down the road, or whether you need a quick answer in an accelerated timeline measured in weeks.

Here is our menu of offerings:

	Level A	Level B	Level C	Level D
Overview	<i>Most robust assessment featuring in depth qualitative + quantitative studies, augmented by large qualitative and customized forecast model</i>	<i>Larger research sample for qualitative and/or quantitative research and more in-depth forecasting efforts</i>	<i>Leverage indication and/or class level models to create topline valuations, informing share calls with primary and secondary research including quantitative stakeholder insights</i>	<i>Leverage indication and/or class level models to create topline valuations, informing share calls with secondary +/- primary market research</i>
Secondary/Desk Research	✓	✓	✓	✓
Forecast	✓	✓	✓	✓
Qualitative Research	✓	✓		
Quantitative Stakeholder Insights	✓	QuickQuant	QuickQuant	
Timeframe	~4-8 weeks	~ 4 weeks	~ 2 weeks	< 2 weeks

What if you need more?

Sometimes, our clients want more than even our Level A assessment. They have more time to evaluate and deeply consider acquiring a company or a product in development. They may want to test the fault lines and assess all potential vulnerabilities. For those situations, Trinity Partners can further pressure test the asset, adding more nuances to the valuation and risk assessment. Here are some of the additional layers of scrutiny that we can easily add on and incorporate into a longer-term engagement.

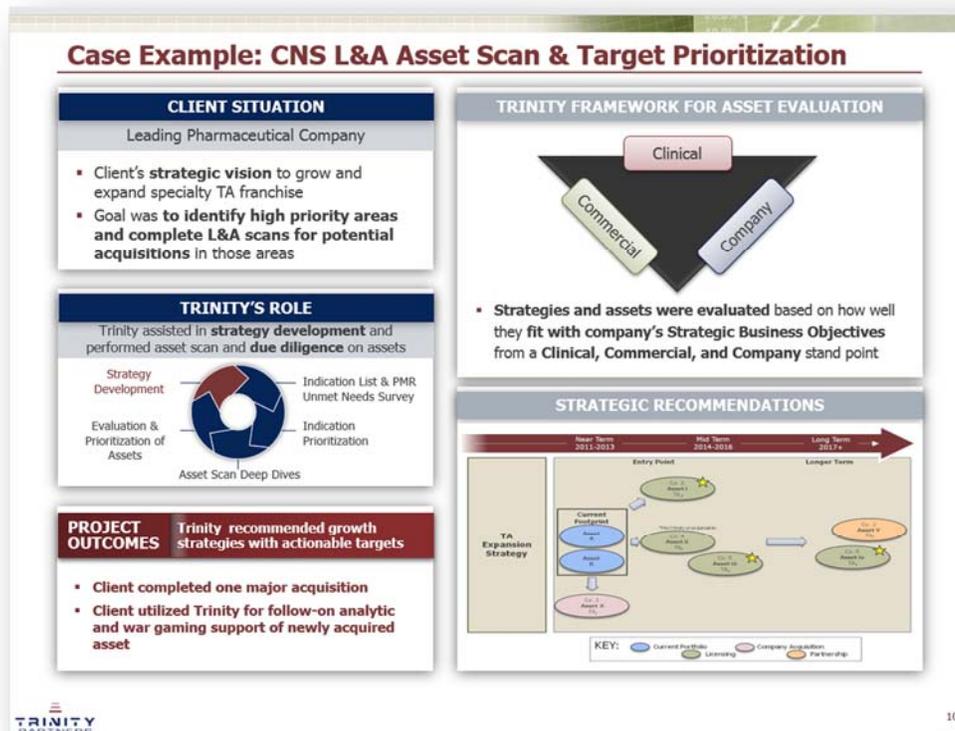


What You Can Expect from Us

We at Trinity pride ourselves on being strategic partners to our clients, and helping *them* succeed. That philosophy is central to our L&A offerings. Not only are we team players who will work with you to tailor the assessment to precisely what you need, but we also seamlessly leverage additional capabilities that you might need --market research (quantitative and qualitative), advanced analytics, claims data analysis, HEOR, and Pricing and Market Access so you get what you need, within your available timeframe.

Case Study

Here's an example of some recent work we have conducted.



In Closing ...

The next time you have a situation where you would like to discuss a potential BD or L&A opportunity, please give us a call. We will be happy to speak with you and brainstorm some ideas about how we can best help your organization.

Lauren Grant, Principal lgrant@trinitypartners.com

Leslie Sandberg Orne, Senior Partner, lorne@trinitypartners.com

Aparna Deshpande, Principal, Co-Lead of Primary Market Research, adeshpande@trinitypartners.com