

Life Science Partnerships

ENET Panel Discussion
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Types of Partnerships

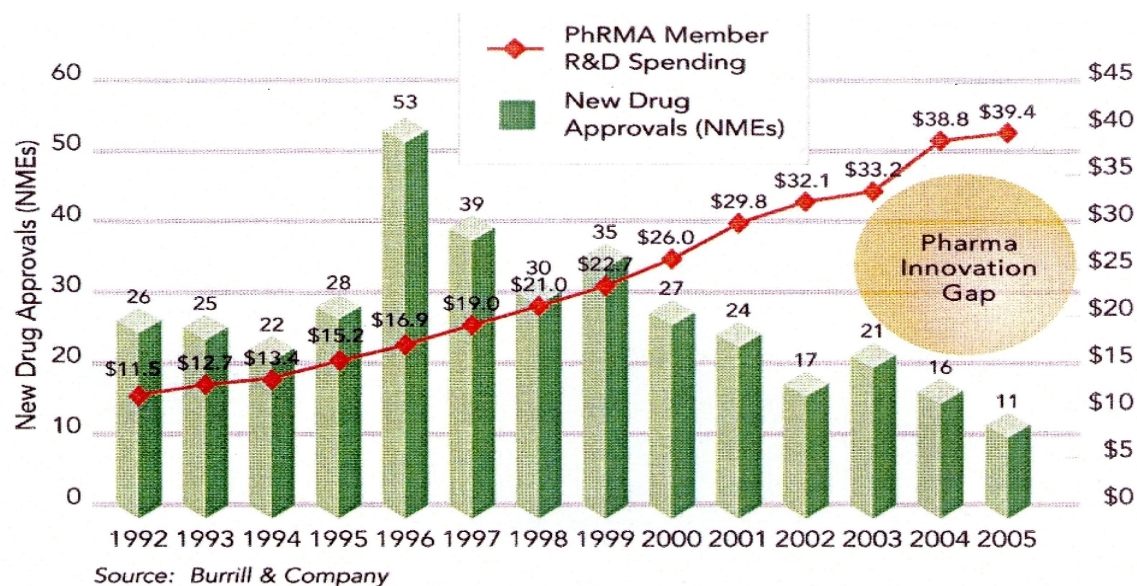
- Research & Development
- Marketing & Sales Alliances
- Licensing Deals
- Outsourcing Relationships

Partnership are an important early funding option for small companies, and a key source of new innovation for larger companies

Medical Devices vs Biotech/Pharma Alliances

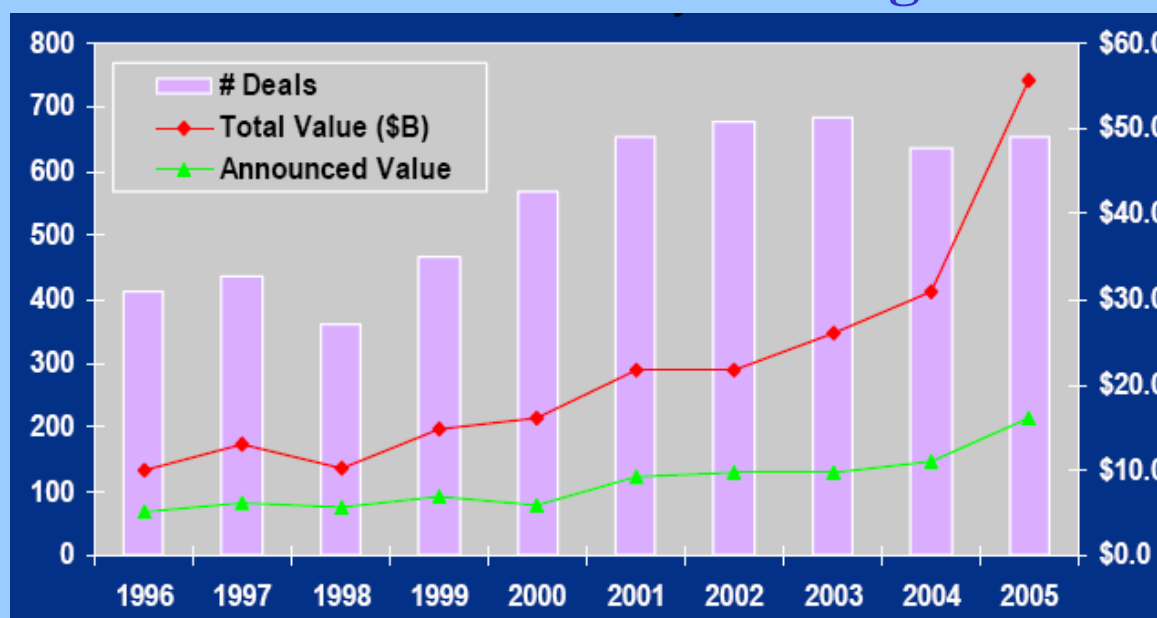
Drug Discovery Productivity

The number of new drugs approved by the FDA has been decreasing



Importance of Partnerships Increasing

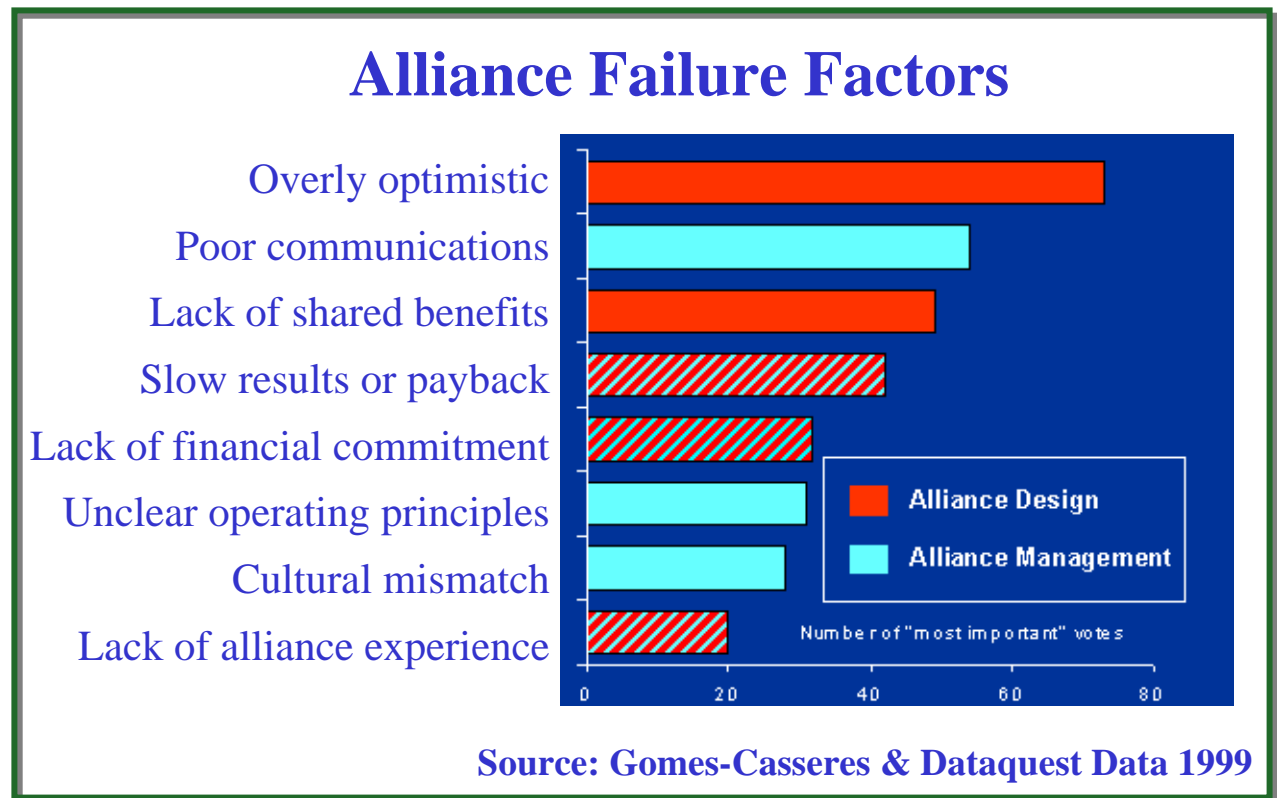
Value of Biotech Out-Licensing Deals



Source Recombinant Capital (www.recap.com)

But....Partnerships Often Fail

It is estimated that roughly 50-70% of alliances fail to meet the expectations of one partner or the other. Common reasons for failure are “soft” issues.



Intangible Factors are Important

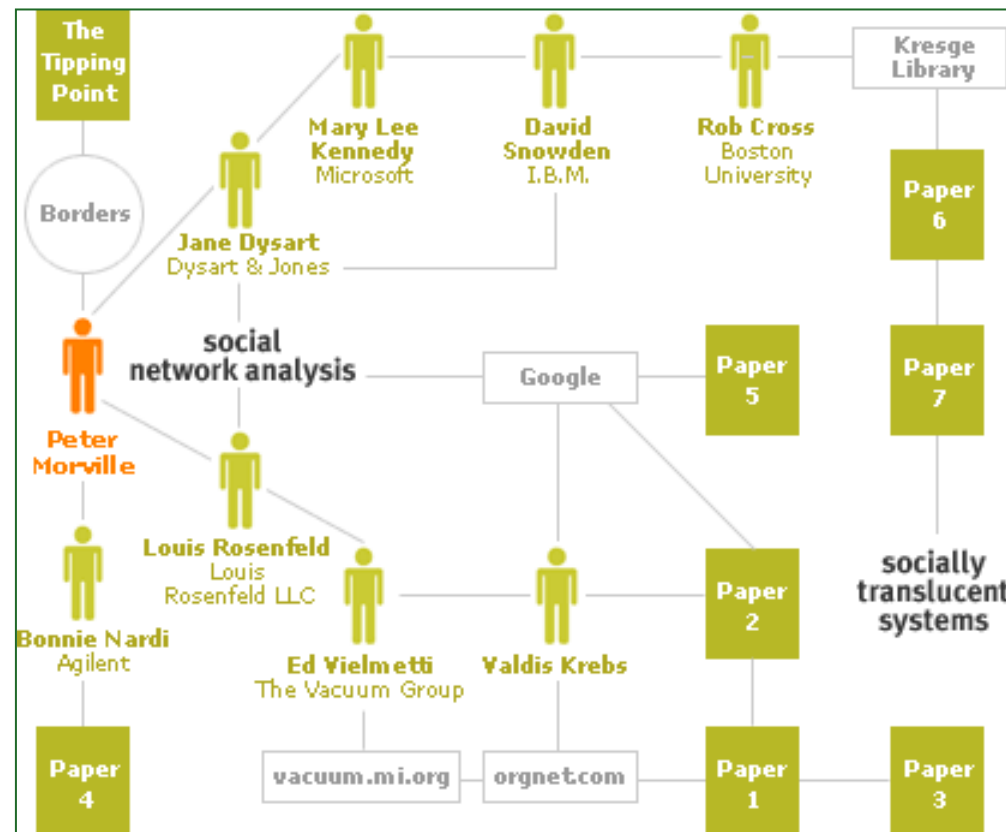
Success in partnerships often depends on intangible factors. For example:

- Knowledge
- Trust
- Communication
- Social capital
- Judgment

“Not everything that can be counted counts, and not everything that counts can be counted” – Albert Einstein

Alliances require complex interactions

Partnerships, *by definition*, involve interactions between different individuals and organizations.



Efforts to Improve Partnerships

Focus on improving alliances includes:

- Better communication
- Improved leadership
- Goal alignment

But how do you achieve this?

Experienced alliance managers:

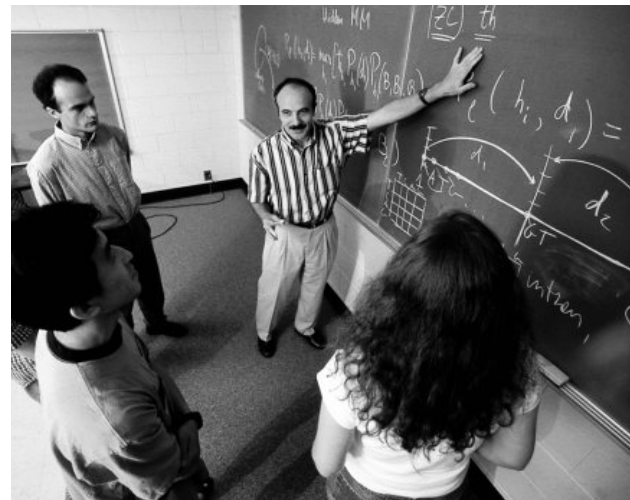
- Social capital
- Implementation focus
- Contract review

Partnership practices

Hard to track....



vs.

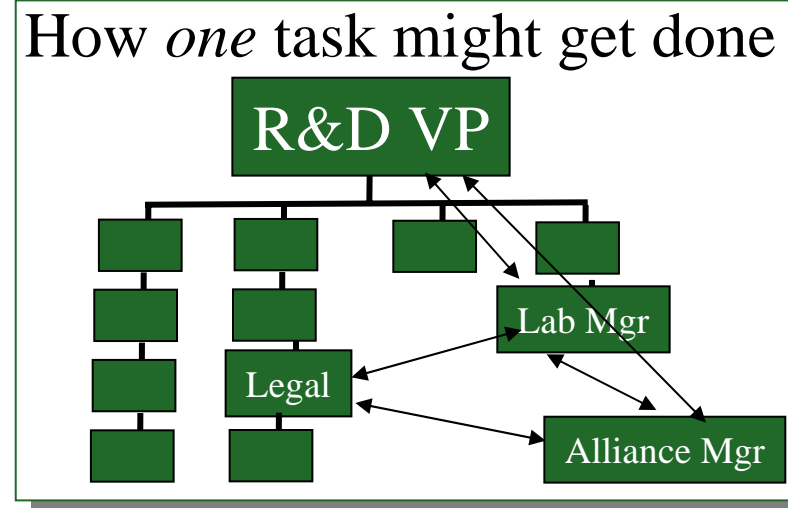
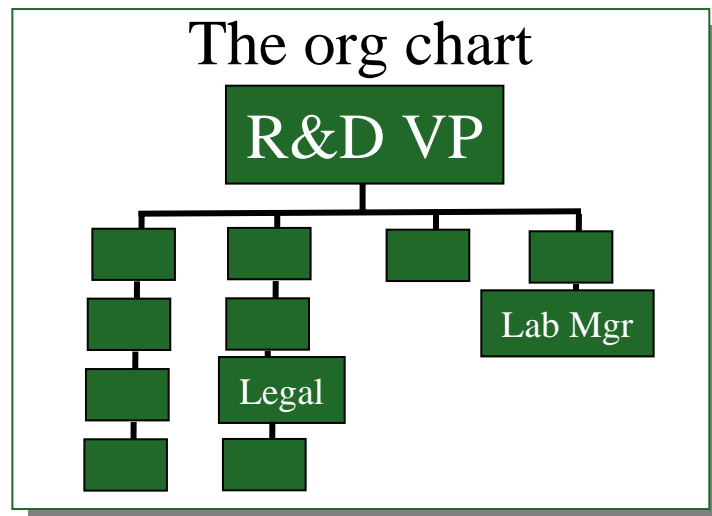


*“I don’t know who discovered water, but it wasn’t a fish”
– Marshall McLuhan*

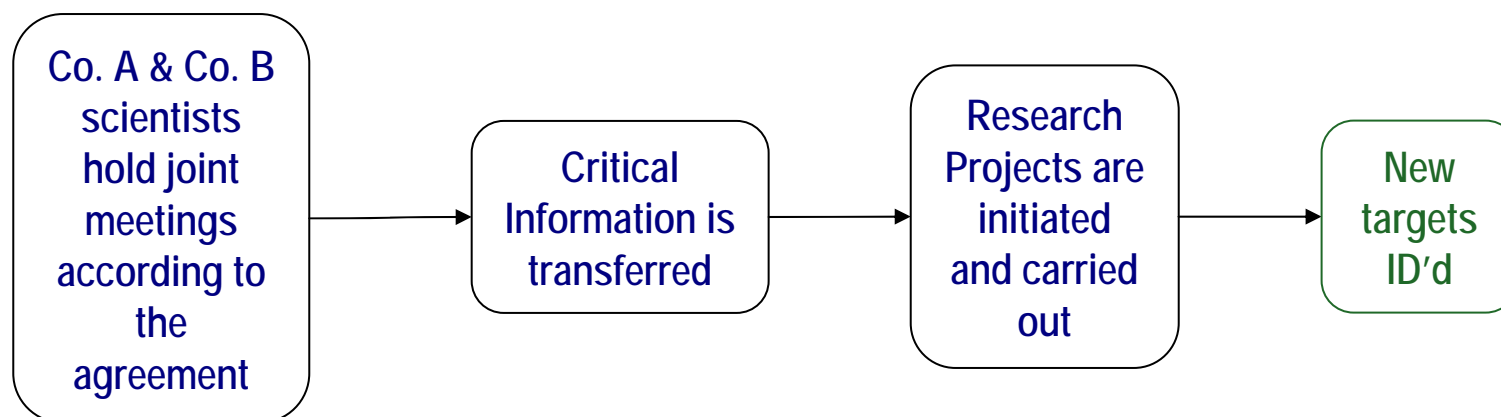
Org Charts Are Limited

Organizational charts are helpful, but do not reveal how work really gets done

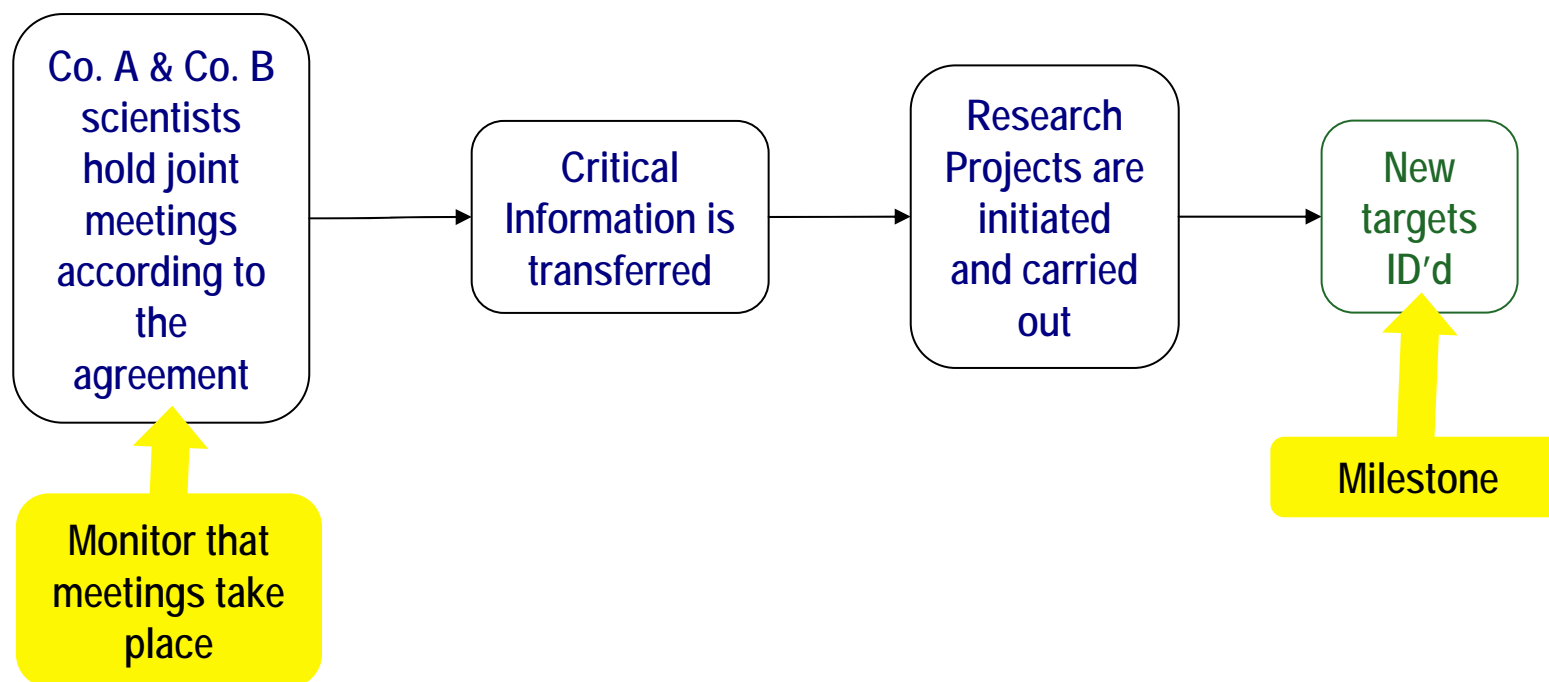
Highly motivated employees get things regardless of the organizational chart



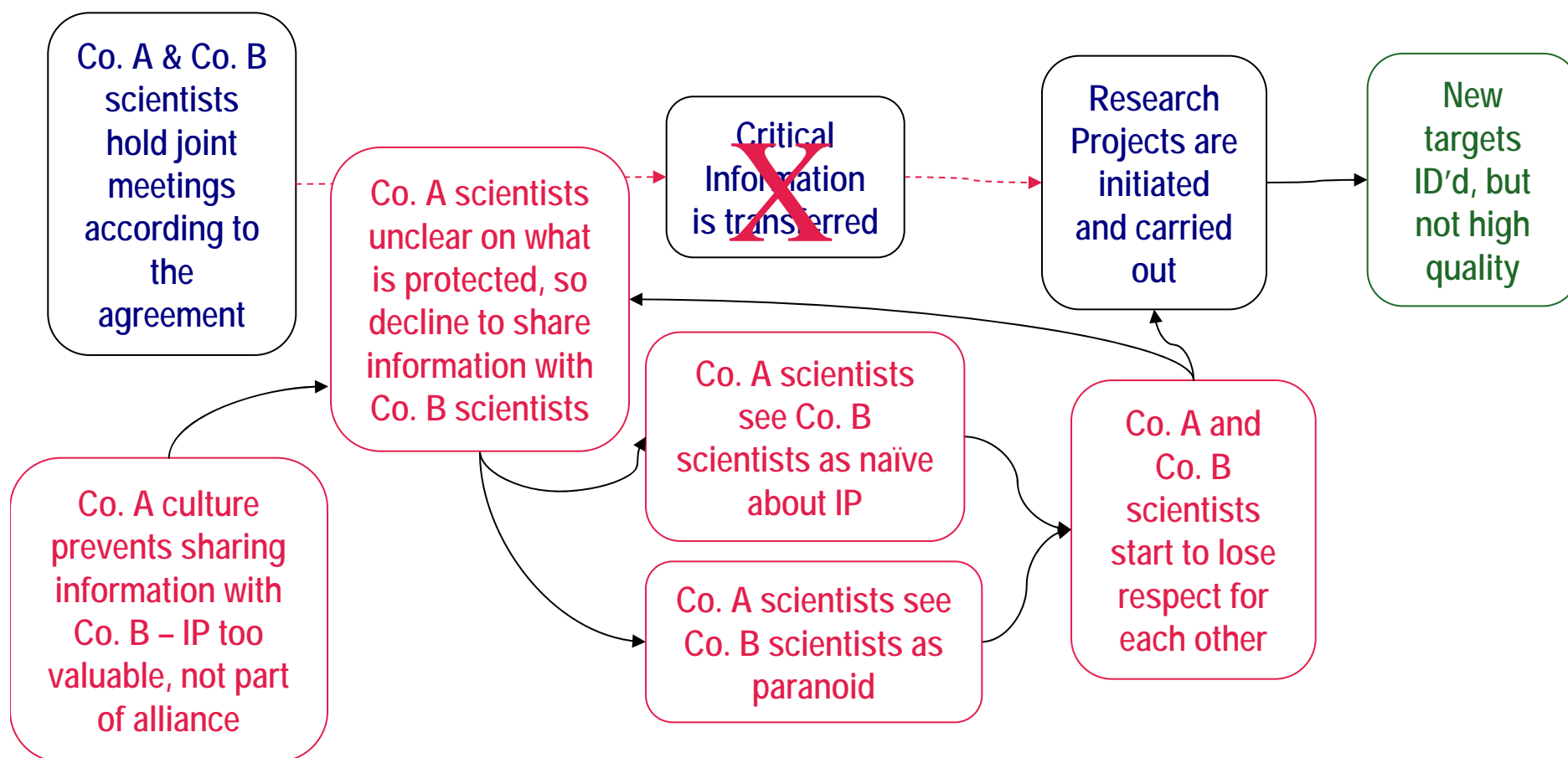
Example: How meetings should happen



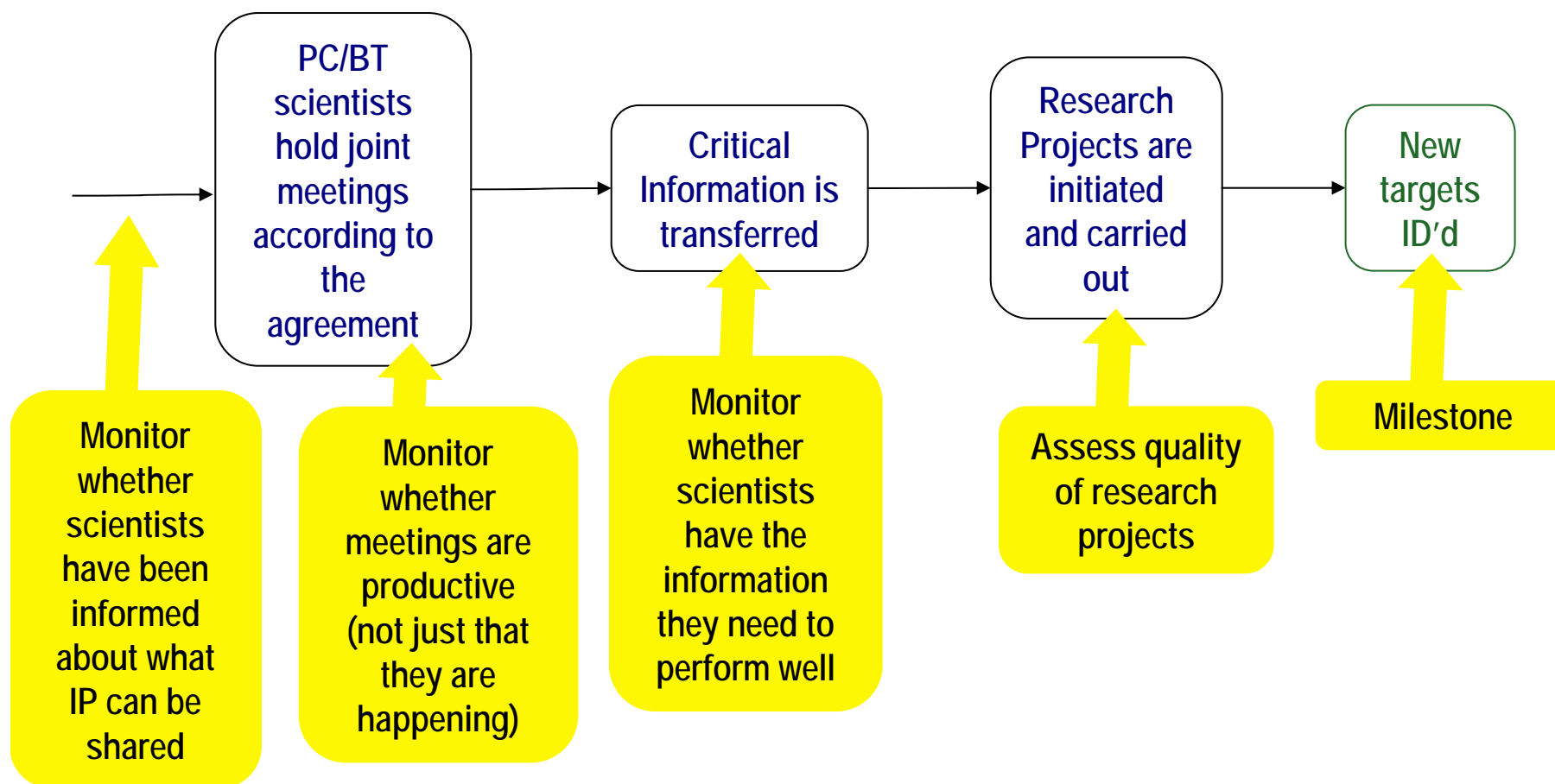
Current Metrics



How Meetings Actually Happen



New Metrics



Vivo Group

Improving the Productivity of Alliances

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