



Biotechnology
Innovation Organization

Biotechnology Entrepreneurship Boot Camp

Presented by:

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**Biotechnology
Entrepreneurship
Boot Camp**

De-Risking through Strategic Alliances

Kristina Zakurdaeva, MD, PhD



What is Strategic Alliance?



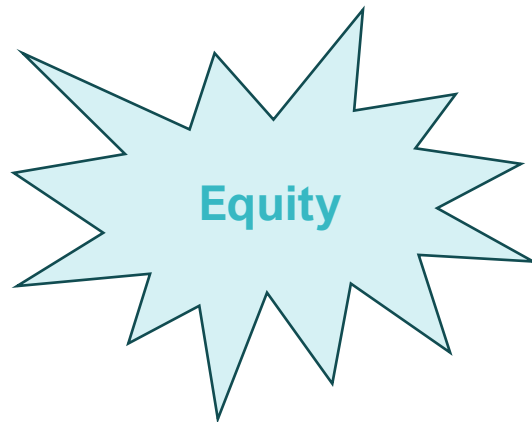
Partnership between two entities to achieve mutual goals



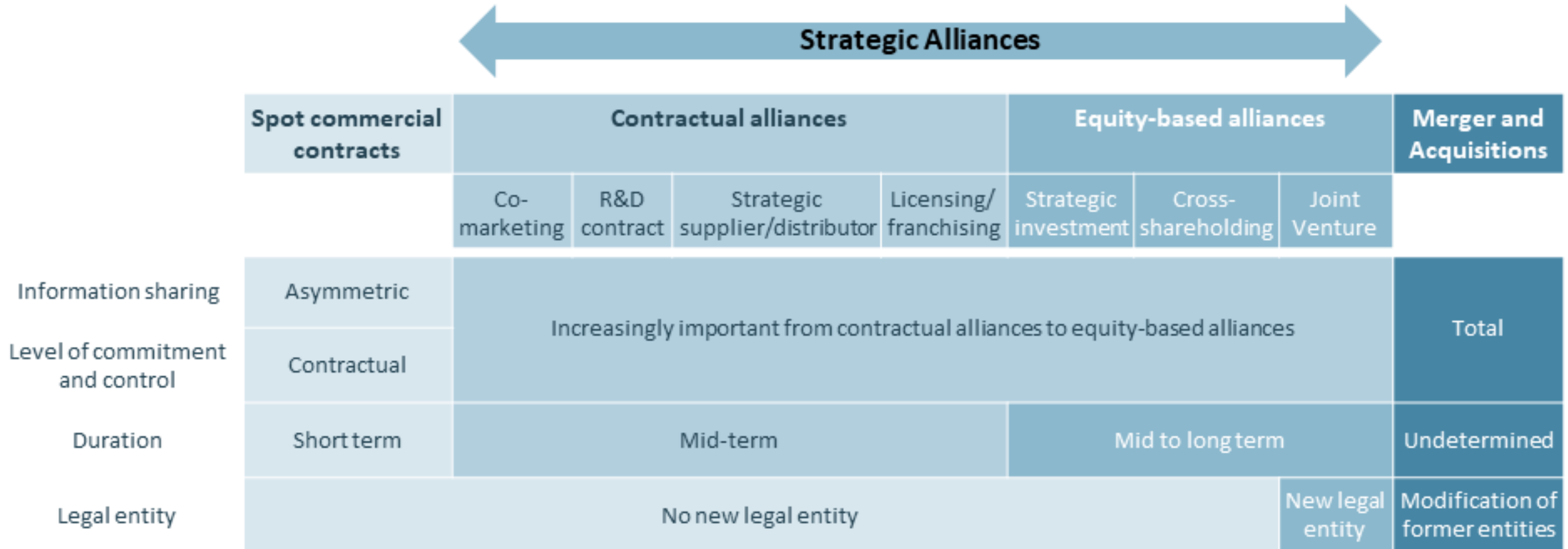
Both entities maintain autonomy while being contractually bound



Long-term partnership that impacts core business objectives and reduces risk

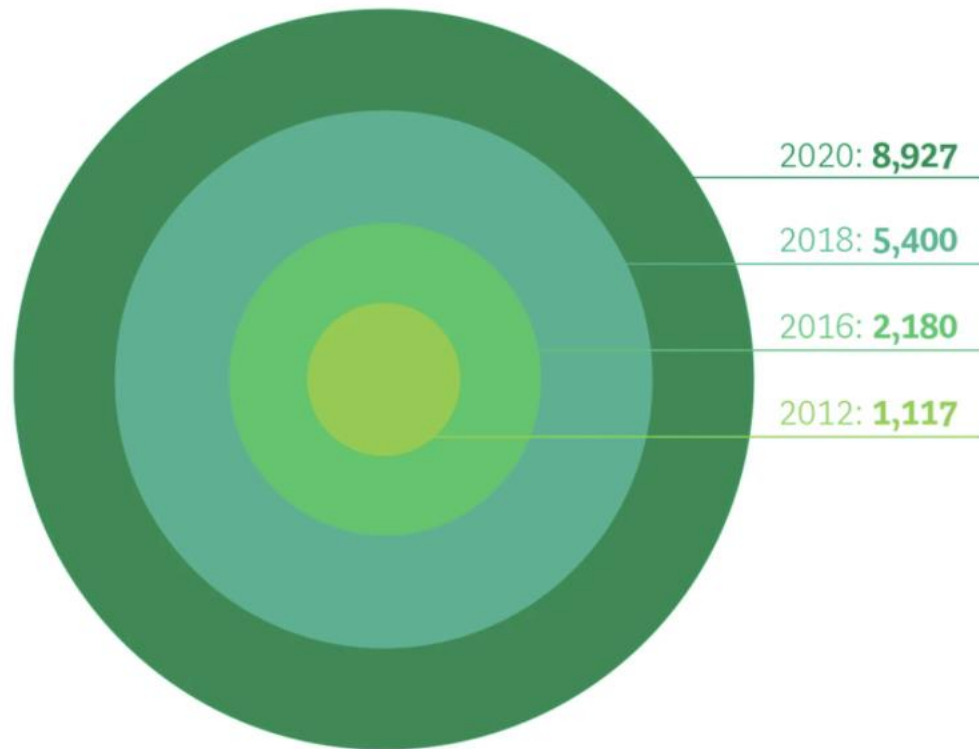


Strategic Alliances Forms and Definitions

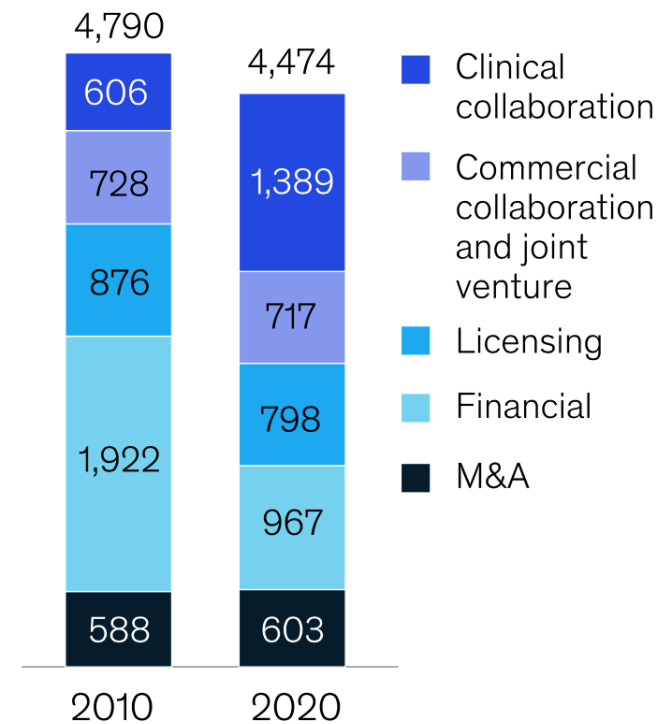


Biopharmaceutical Partnerships Increased Over Time

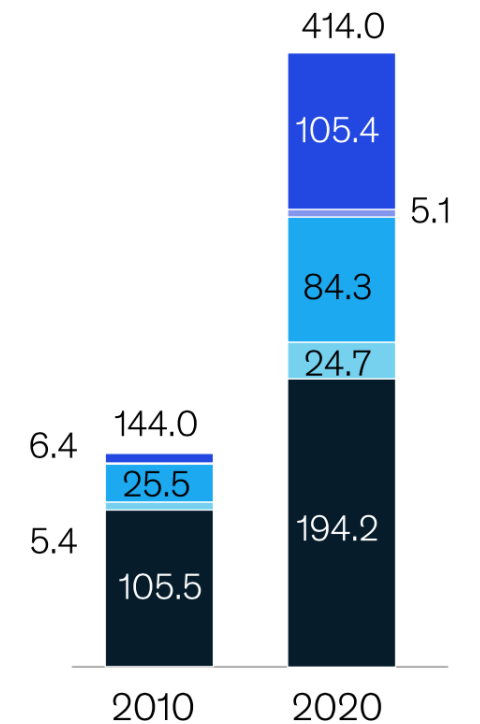
Number of strategic alliances formed



Deals,¹ number

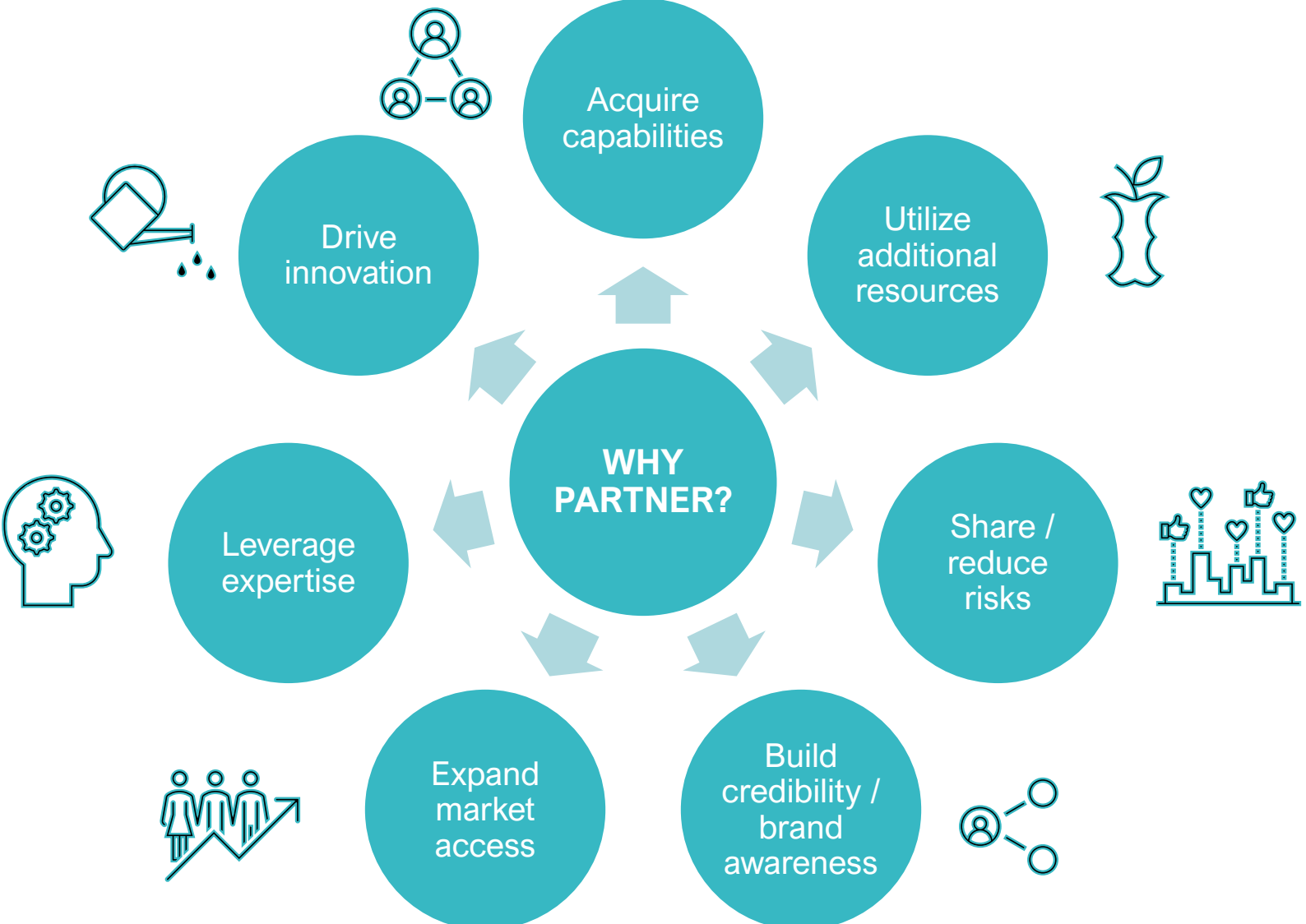


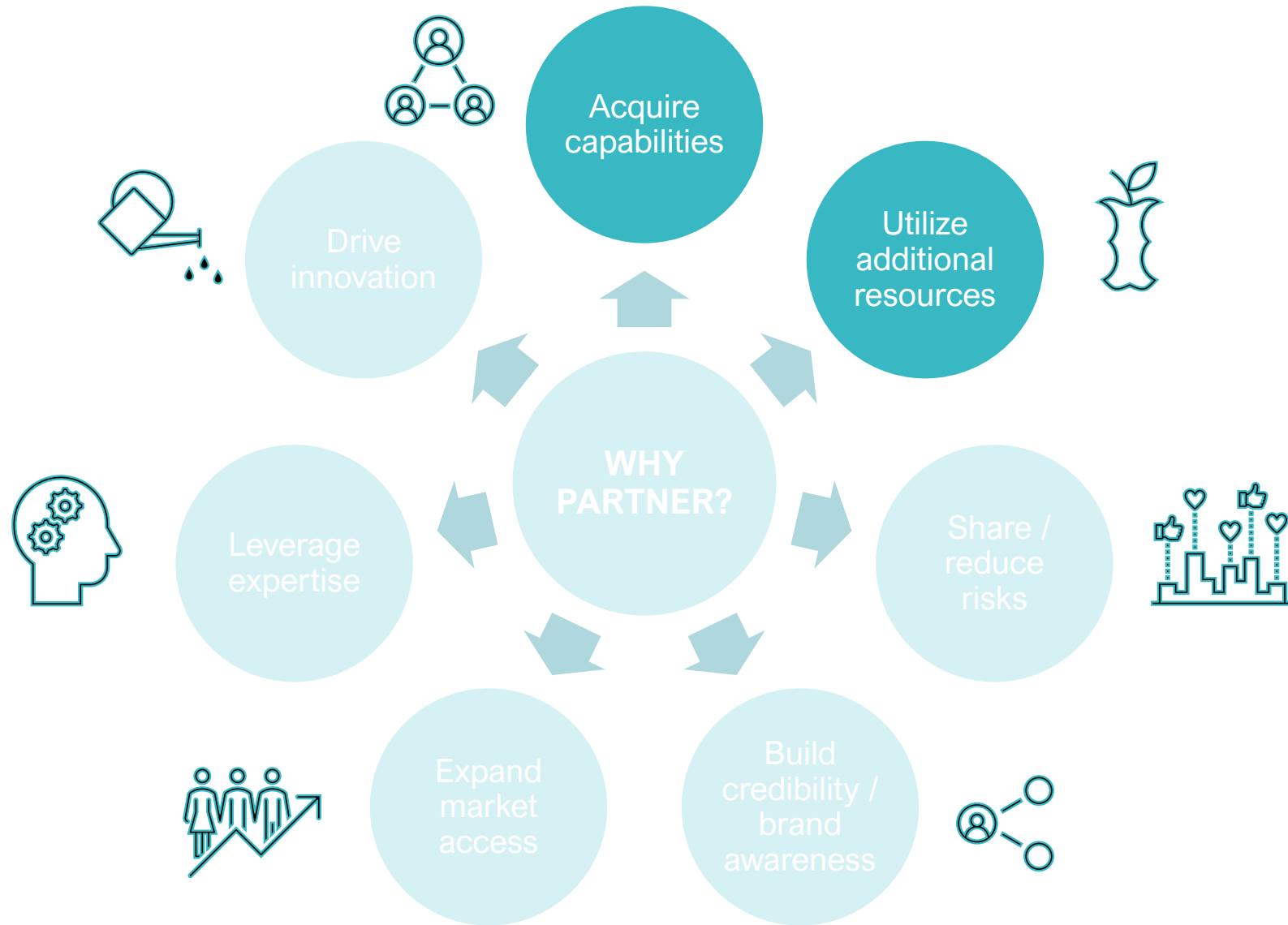
Potential deal value, \$ billion



Sources: IQVIA Pharma Deals, January 2021

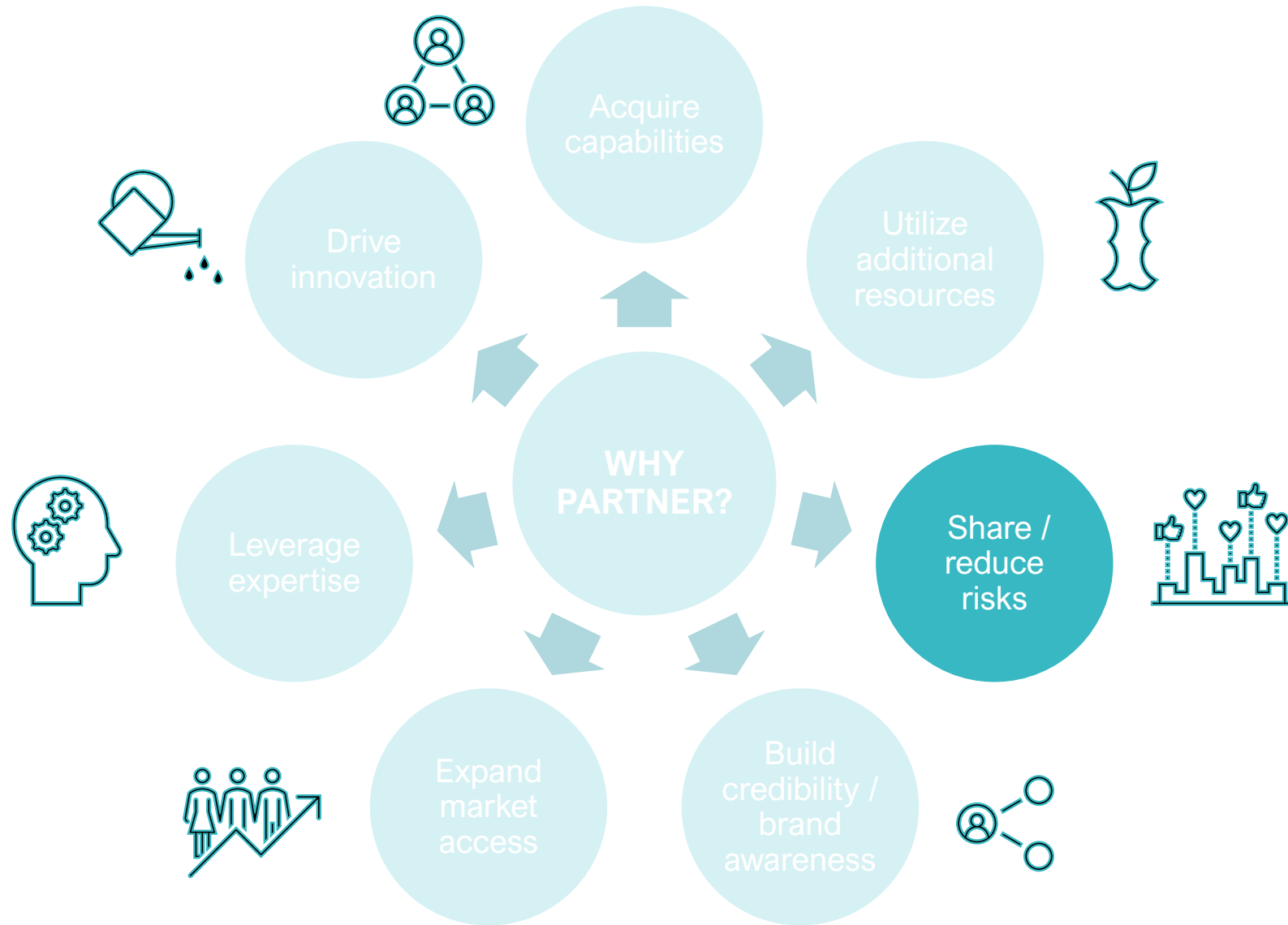
A Startup May Use Strategic Alliances to Accomplish Various Company Development Goals



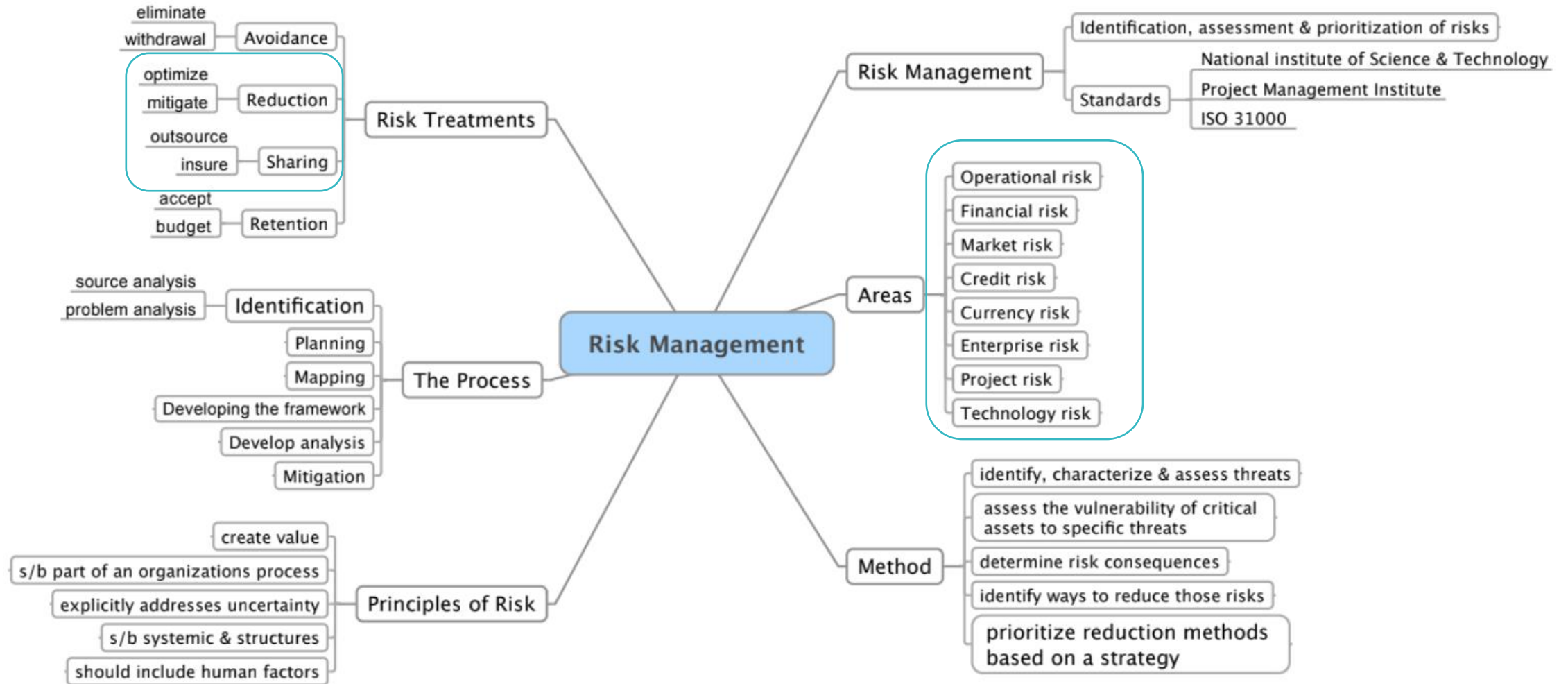


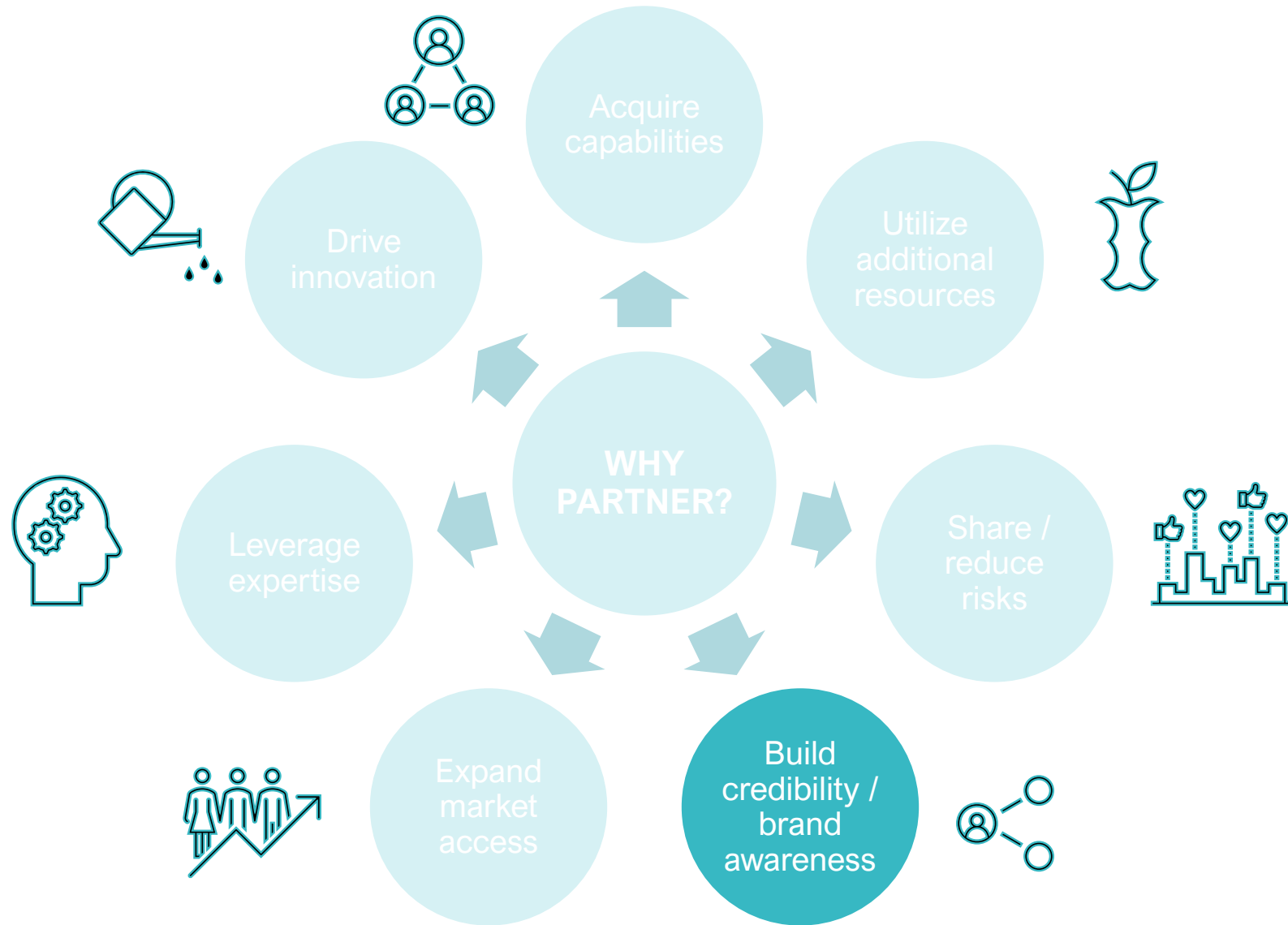
Strategic Alliances Allow to Gain Access to Resources and Acquire Capabilities

- ➡ Supplementary knowledge, products, or other assets
- ➡ Access to R&D facilities and/or services
- ➡ Additional expertise and/or functions
- ➡ Network of key opinion leaders, other companies
- ➡ No changing of companies' core functions
- ➡ Cost sharing
- ➡ Accelerated timelines



Risk Management Strategies Employed in a Startup

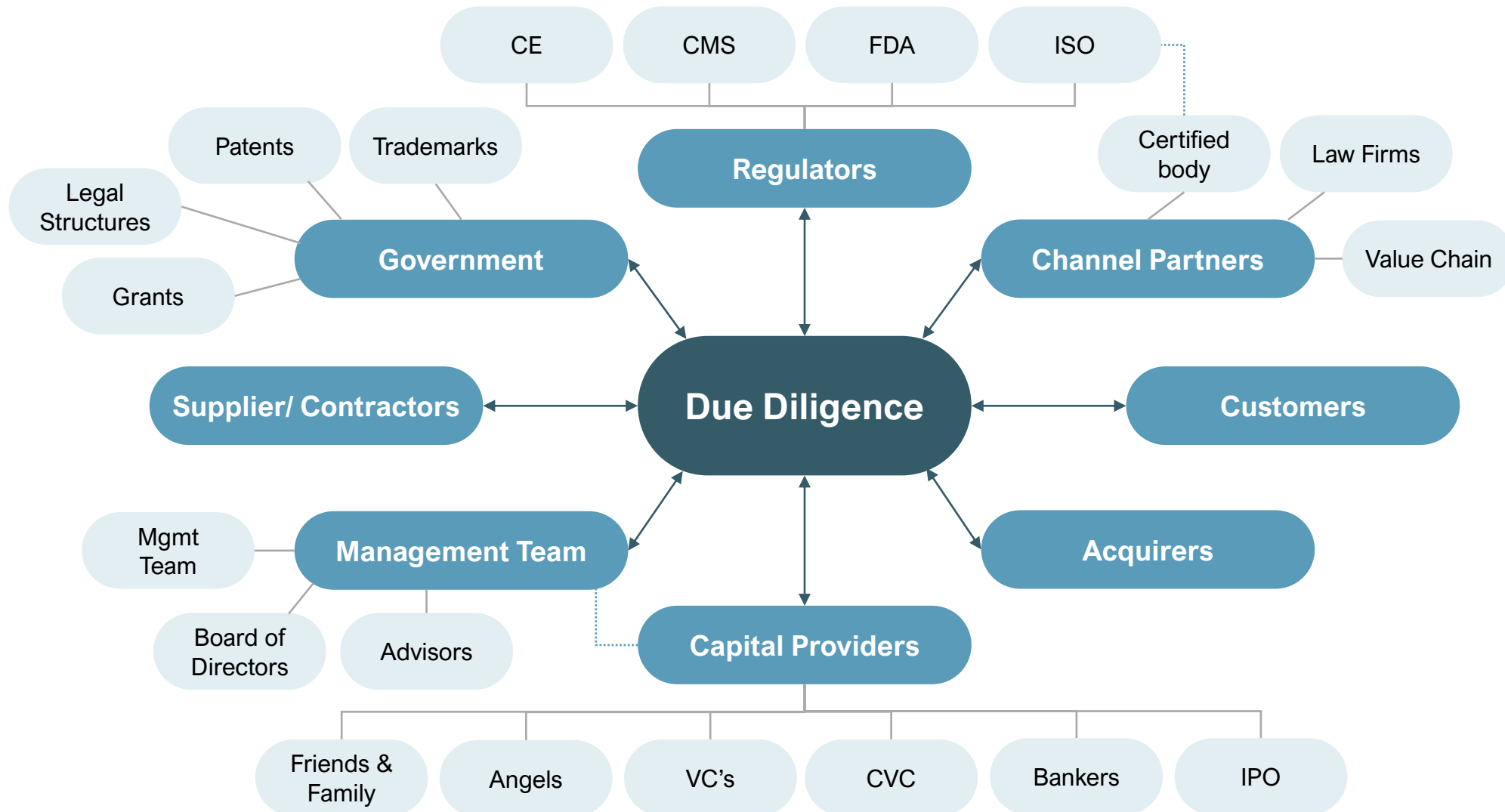


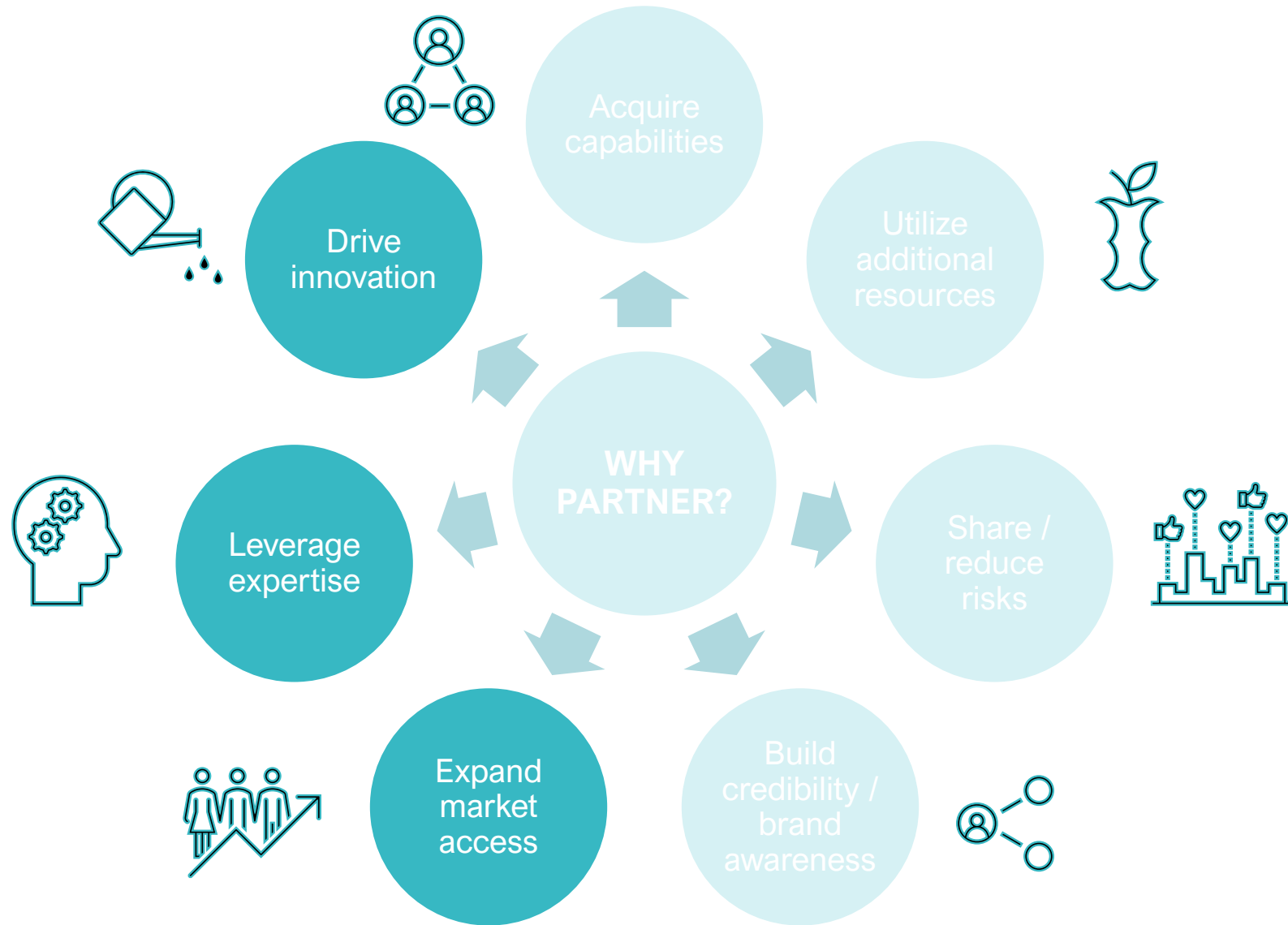


By Using Partner's Brand a Startup May Enhance Technology Development and Reduce Risks

- ✦ Good reputation is critical for relationship with various stakeholders, including those involved in R&D and business development
- ✦ Building trust and credibility helps to create sustainable positioning and expand future advances
- ✦ Due diligence waiver may be an option with some potential partners and/or collaborators (though no guaranties)
- ✦ Partnering with a business that has a positive reputation can also enhance your own through association and partially de-risk other partnering(s)

Use Proprietary Relationships to Borrow Brand



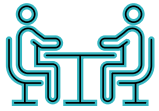


Strategic Alliances Help Gain Access to Other Markets and Drive Innovations Through Leveraging Expertise

- + New geography
- + New applications
- + New regulatory pathways
- + New launches
- + New partnerships



Challenges of Strategic Alliances



Finding a right partner

- ✓ similar vision
- ✓ same values
- ✓ long-term commitment
- ✓ adequate resources
- ✓ brand and reputation



Lack of control

- ✓ shared responsibilities
- ✓ shared resources
- ✓ limited influence
- ✓ accepting alternative processes
- ✓ complex decision-making



Additional liability

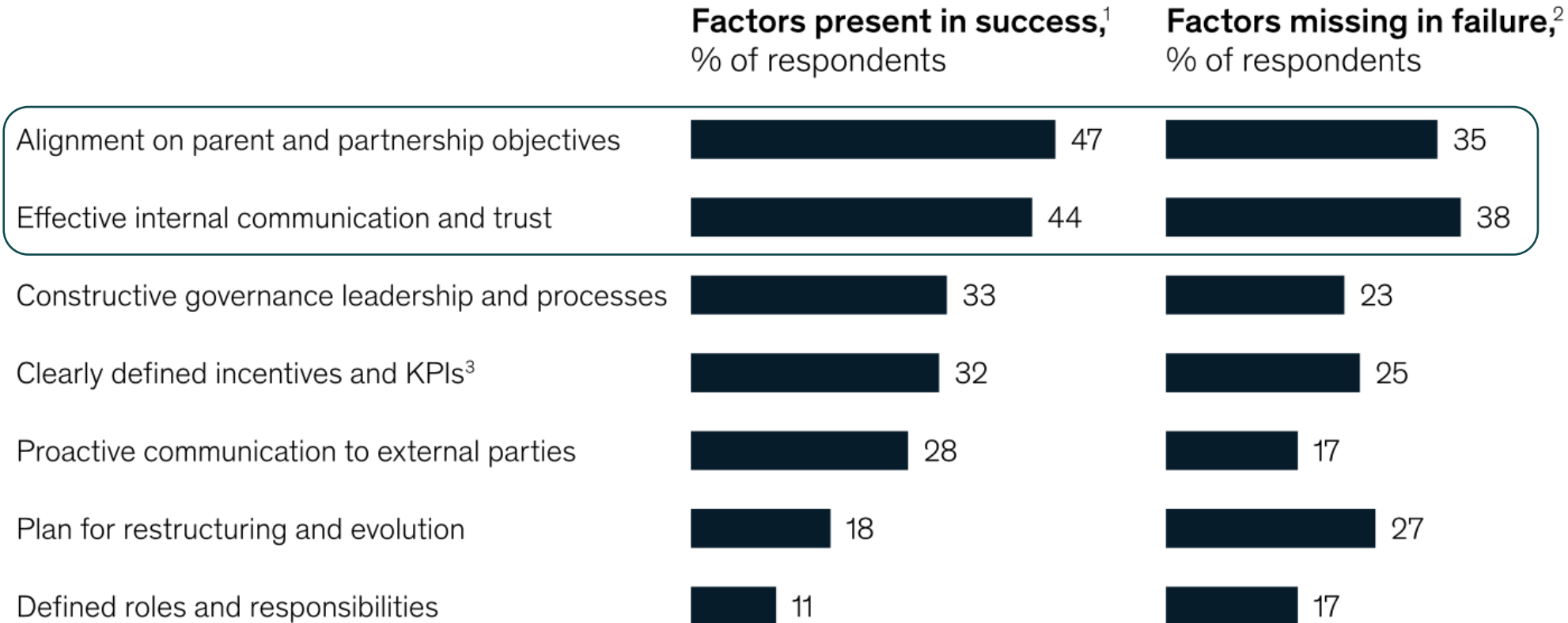
- ✓ sharing burden due to partner's financial constraints and/or mismanagement



Communication

- ✓ lack of transparency
- ✓ miscommunication
- ✓ teams disconnect
- ✓ missing information

Survey among Managers Identified Core Reasons for Joint-Venture Success and Failure



¹Respondents' top choices out of a list of 10 components whose presence could have a favorable effect on their partnerships (n = 708).

²Respondents' top choices out of a list of 10 components whose absence could have a negative effect on the partnership (n = 262).

³Key performance indicators.

Thank You and Good Luck!



ANY
Questions?

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