

Increasing Your Deal-Making IQ by Looking at What Others Did

Presentation given at the 6th International Conference on Biotech Licensing and Deal-Making (organized by SRI), Jan 28-30, San Diego, 2002.

Abstract: Ultimately, it is the pipeline portfolio that determines success or failure. This is why it is so important that your company be on the lookout to beef up its portfolio through acquisition and/or licensing opportunities. Now that the potential deal partner has been located, how should the deal be structured? This workshop addresses this question head-on by leveraging the following observation: Many people have faced a situation similar to yours and some have even responded with quite innovative and crafty deal structures. Why not then take a peek at what they came up with? This workshop consists of two parts. First, it articulates overall trends, patterns, industry practices, and observations based on an analysis of no less than 3,750 pharmaceutical, biotech, and university deals spanning over a decade. Second, it makes the point that a library of deals has to have three specific features to be really inspirational. It should allow access by content, enhance structural thinking, and support a shorthand notation that represents elements of the deal (up-front payments, milestone/conditional payments, profit sharing, royalties, etc.) as well as the geographic extent of the rights granted to each party. There will be ample examples including the classic Roche-Genentech and the recent Bayer-Curagen to drive the points home.

"That's a brilliant abstract and a model for others to emulate – absolutely crystal clear in terms of what's to be discussed, the benefits, and the intended audience." – Mark Alexay, SRI Program Organizer

Feedback on the Presentation

"Among the best I have ever seen in the licensing field." – Joachim Greuel, PhD, MBA, Partner, Bioscience Valuation

"Absolutely thought-provoking!" – Stephen A. Hill, President and CEO of Arqule

"I will share your presentation with the rest of my Genetics & Deal Structuring Group, as your method of visualizing deal terms may be of value to the team." – John Burt, Director Genetics & Deal Discovery Structuring, GSK

"Great presentation! Loved it! Wealth of information!" – Ramani Aiyer, PhD, VP Business Development, SAI

"I really enjoyed your talk!" – Jasper J. Schaible, Director Corporate Development, Ligand Pharmaceuticals