

Dr. Mahmoud Bahgat



Co-Founder & Host:
Dr.Mahmoud Ezzat



International Business Development Club

Licensing in Pharma
Tips & Tricks

Wednesday 17th July 2024 10pm KSA EGY 11pm UAE



Dr. Mohamed El Shafei
Business Development Manager
Sandoz- Egypt





### **Disclaimer**

- The views expressed herein are those of the presenter Not related to any organization
- No Confidential data



# ABOUT OUR SPEAKER

### "Ambition is Enthusiasm with a Purpose".

- Experienced Business Development Manager with +14 years' experience in the pharmaceuticals industry.
- Skilled in Business Development, licensing, Acquisition, Marketing and Product Management
- Bachelor's degree in pharmaceutical sciences.
- Master degree in strategic management.
- Worked for Hikma pharmaceuticals for +11 years with several roles in sales, marketing & business development.
- Worked in Sandoz as a business development manager.



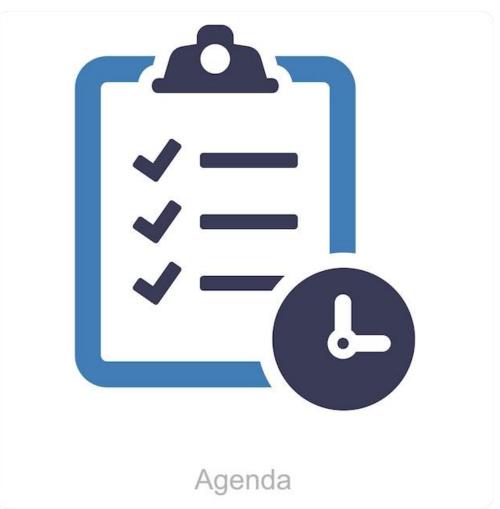
**Dr. Mohamed Elshafei**Business Development Manager



# **Agenda**

- Licensing Core Fundamentals
- DB Duties and Responsibilities
- Licensing Road Map & Process: Hands on Experiences
- Tips and Tricks in Licensing
- Conclusion





### **Licensing Core Fundamentals**

Market Size and Figures

Regulatory Strategies

Patents Vs. exclusivity

**R&D Process** 

Product: Life Cycle Management

Patent life Extension

**Licensing Process** 

Types of deals

Forecasting models

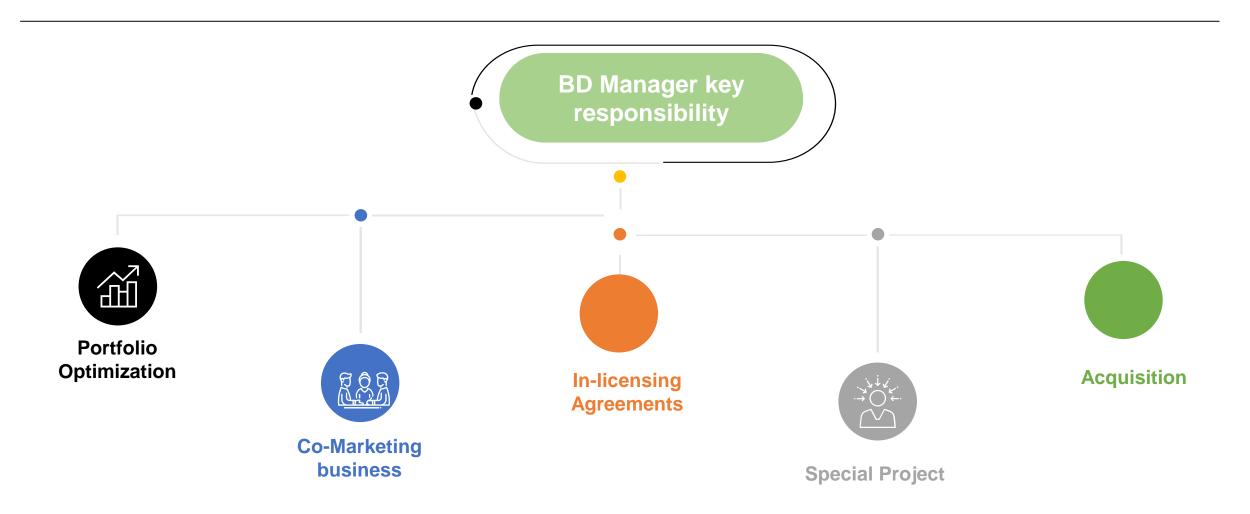
Patent Cliff

Data Exclusivity and Market Protection

Financial Modeling



### Business Development as an arm of any corporation



- 1. Responsible for supporting business development
  - Projects
  - Strategic initiatives



2. Be part of the

Strategic planning process

and involved in the preparation of long-range strategies and action plans



#### 3.Scout for

- New portfolio
- business development opportunities

that are in line with the strategic plan outlined for the region



### 4.Track and analyze

- Industry trends,
- Market
- Competitor events and
- Changes in health care reforms

that will impact country strategies, business development priorities and market forecasts



#### 5. Conduct

- Detailed market analyses
- Dedicated research including,
  - Assessing the potential of new products,
  - Preparing business cases and
  - Supporting their presentation to management team



#### 6. Ensure

- Successful coordination of different functions
  - Marketing
  - Sales
  - R&D
  - Operations
  - IT
  - Medical
  - Legal

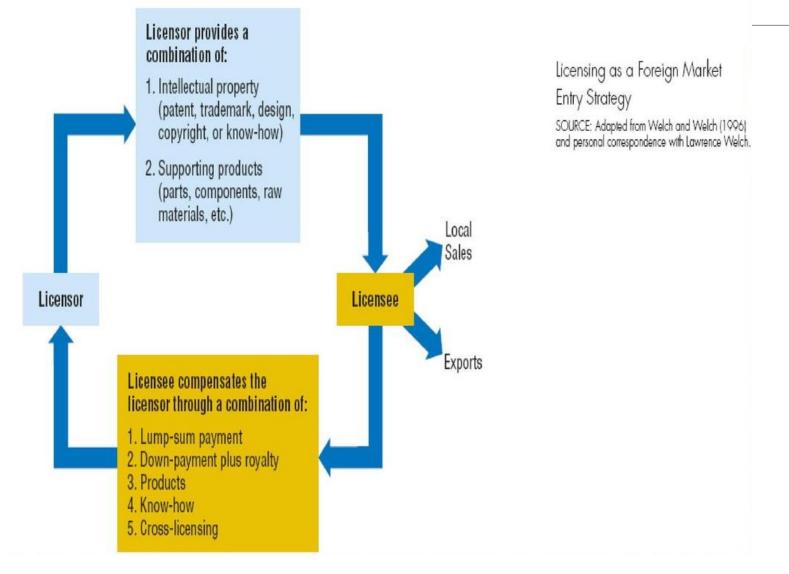
in business development and strategic projects

#### 7. Ensure

- Compliance with
  - Relevant Acts
  - legal demands
  - Ethical standards
  - Corporate Business
  - Safety Procedures
  - Code of Business Conduct.



### **Licensor / licensee relationship**



<u>Licensee: Definition & How Licensing Works (contractscounsel.com)</u>

# **Example of the top licensing deals**

# 1. AstraZeneca/Daiichi Sankyo

Licensor: Daiichi Sankyo Licensee: AstraZeneca Deal size: \$6.0 billion

**Upfront:** \$1.0 billion

**Asset:** TROP2-targeted antibody-drug conjugate datopotamab deruxtecan for

lung, breast and other cancers





## **Example of the top licensing deals**

#### 2. AbbVie/Genmab

Licensor: Genmab Licensee: AbbVie

Deal size: \$3.9 billion Upfront: \$750 million

**Assets: Multiple bispecific antibodies** 

for cancer





### Licensor / licensee relationship

### ▲ From the perspective of the licensor:

- A firm lacks the capital, managerial resources, or knowledge of foreign markets required for exporting or FDI, but it wants to earn additional profits with minimal commitment.
- Licensing is a way of testing and proactively developing a market that can later be exploited by direct investment.
- 3. The technology involved is not central to the licensor's core business. Not surprisingly, single-or dominant-product firms are very reluctant to license their core technology, whereas diversified firms are much more willing to license peripheral technologies.



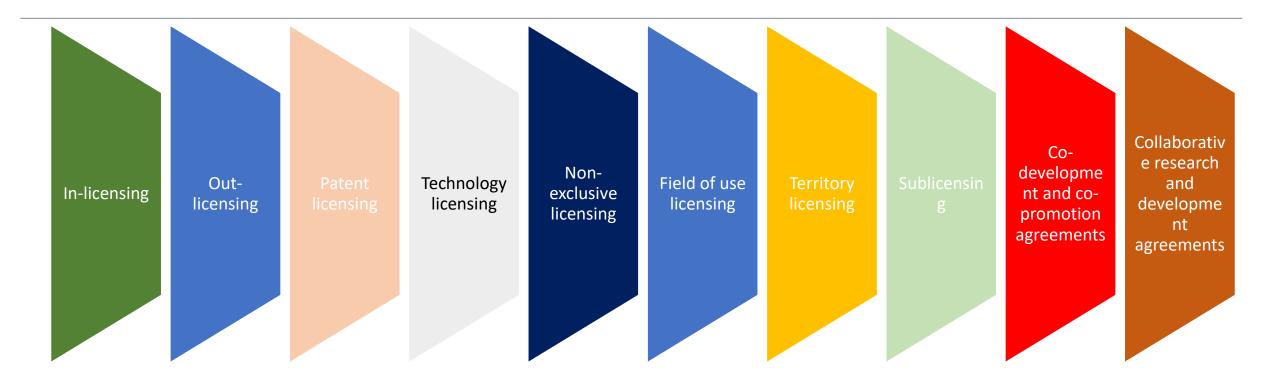
### Licensor / licensee relationship

## **▲**From the perspective of the licensee:

- The main advantage of licensing is that the licensee's existing products or technology can be acquired more cheaply, faster, and with less risk from third parties (licensors) than by internal R&D.
- Another advantage is that the licensee can gain product designs for a desired diversification, to complement other assets it possesses such as production or marketing capability.



# **Licensing Types**





# **Licensing Types**

#### **Early In-Licensing:**

 Licensing in IP from a 3rd party .Development might have started, but dossier not available for due diligence yet.

#### Late In-Licensing:

 Licensing in IP from a 3rd party). Development is completed and dossier is available



#### **Adapted from**

<u>Licensing early-versus late-stage technologies: The licensee perspective – ScienceDirect</u>

Q2 2023 Biopharma Licensing and Venture Report (jpmorgan.com)

# **Licensing Types**

### **Territory Extension:**

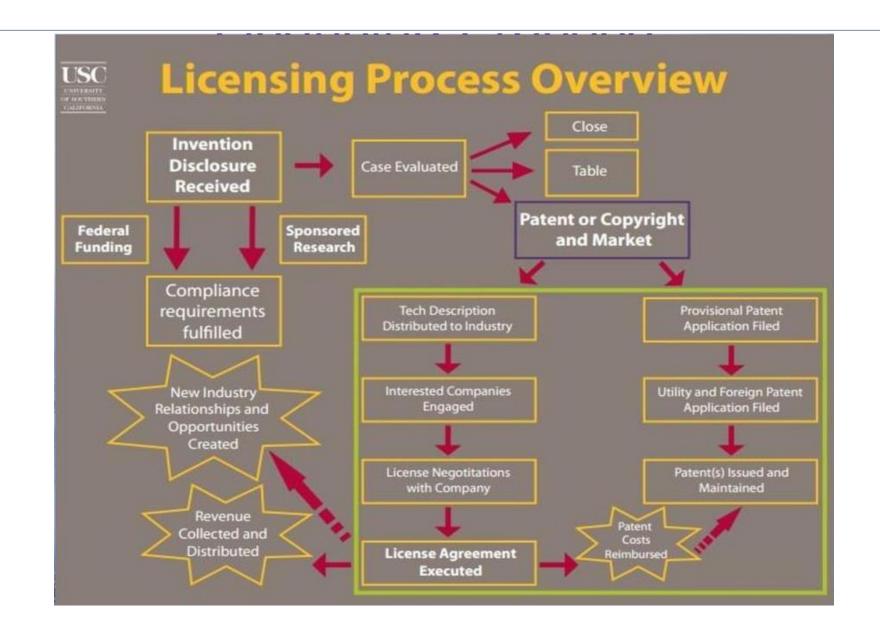
An existing Agreement is amended by additional territories/Regions.

### **Line Extension:**

An existing Agreement is amended by Strengths, dosage forms.... etc.

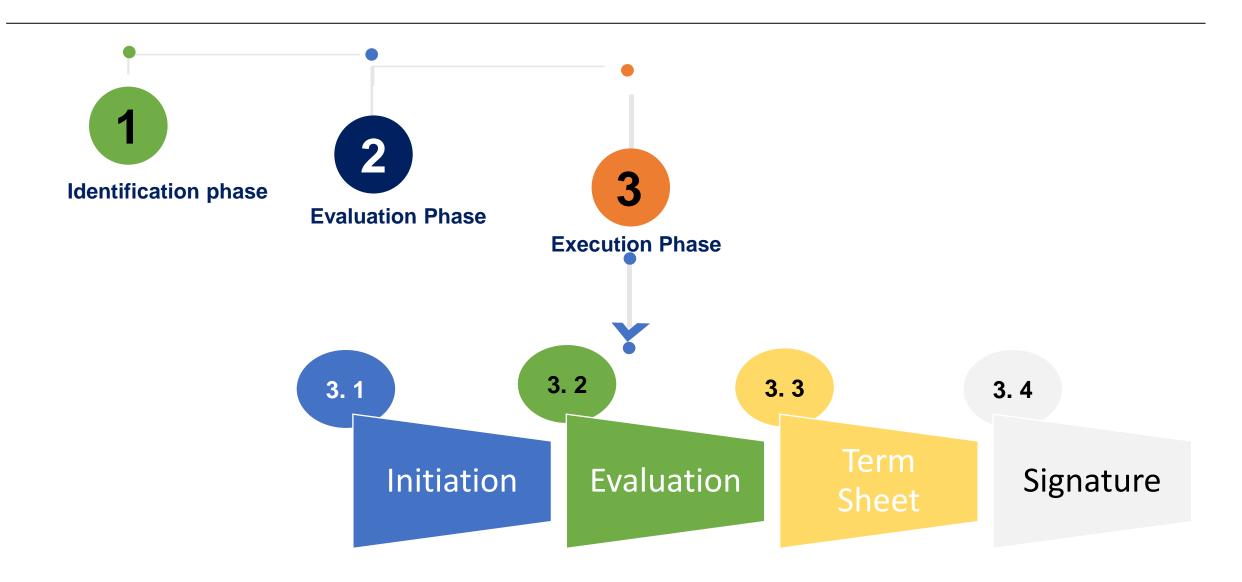


#### **Process Overview**





### Pharma Licensing Roadmap and Process: Regional Flavor



### Three-step approach to annual planning / Portfolio workshops....

### Step 1: Product Identification

- Develop search criteria/filters
- Identify and search databases
- Analyse results
- Recommend a preliminary list
- Work shops
- Team member idea
- Vision Board per therapy area
- Wish list (workshops)
- Specialty (Portfolio Gap)





Please check the Chat after the meeting for supportive materials

# Three-step approach to annual planning / Portfolio workshops....

Step 2: Product Evaluation



### Three-step approach to annual planning / Portfolio workshops....

### Step 3: Execution & Implementation

- Identify company targets
- Develop a 5-yrs , L+5 execution plan ...etc.
- Create an Implementation plan



# **Dossier / Product Licensing Steps**

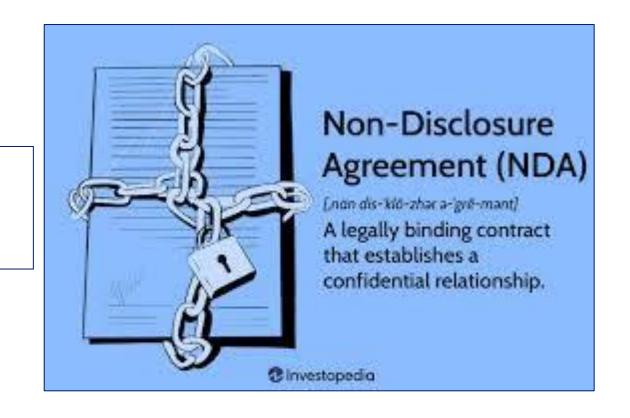


- Initiating contact with target company/product
- If interested, NDA is signed



# Disclosure Agreement

- ☐ Time limit of xxxx years
- No limitation on disclosures to others





# **Dossier / Product Licensing Steps**

study and Due

diligence by:







# Checklist for contract due diligence

RA QA Operation R&D SC Finance Procurement TAX Commercial



Accordingly, to the business development deal the mapping will be reshaped

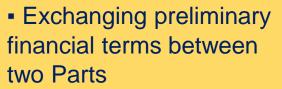
# **Dossier / Product Licensing Steps**



Evaluation

Term Sheet

Signature



- Evaluating feasibility of the project
- Negotiating with the 2<sup>nd</sup> part to reach agreeable terms for both parties
- Go/No Go decision



# **Dossier / Product Licensing Steps**

Initiation Evaluation

Term Sheet

Signature

- Review the agreement
- Final draft
- Signature
- Internal Kick-off then hand over to Portfolio/ New launch manager team



# **Key Factors to Consider in Pharma Licensing**

Successful pharma licensing collaborations require careful consideration of several key factors.

- By defining clear objectives
- Aligning interests
- Leveraging complementary skills and resources,
- Establishing a robust IP framework
- Addressing financial arrangements
- Aligning regulatory and commercialization strategies, and planning for potential termination or disputes,



Collaborations can overcome challenges and maximize the potential for success.

### **References and Potential links**

- Evaluating a Potential Licensee: 5 Steps IMC Licensing
- (6) Pharma (In/Out) Licensing Framework: Approach, Model and Factors Affecting Valuation | LinkedIn
- Evaluating a Potential Licensee: 5 Steps IMC Licensing
- Why In-Licensing in Pharma? Blog (pharmavenue.com)
- Courses for Pharma Business Development & Licensing (celforpharma.com)
- Pharma Licensing Deal Structures: A Complete Guide Blog (pharmavenue.com)
- Pharma Industry News and Analysis | FirstWord Pharma
- Key Steps & Best Practices In Pharma In-Licensing | Credevo Articles
- Guide to Life Sciences Licensing Agreements (excedr.com)
- AbbVie And Genmab Announce Broad Oncology Collaboration | Reuters

- CPHI Online A marketplace for pharma companies, products and industry news (cphi-online.com)
- FDA Approved Drugs | CenterWatch







# **Thank You**