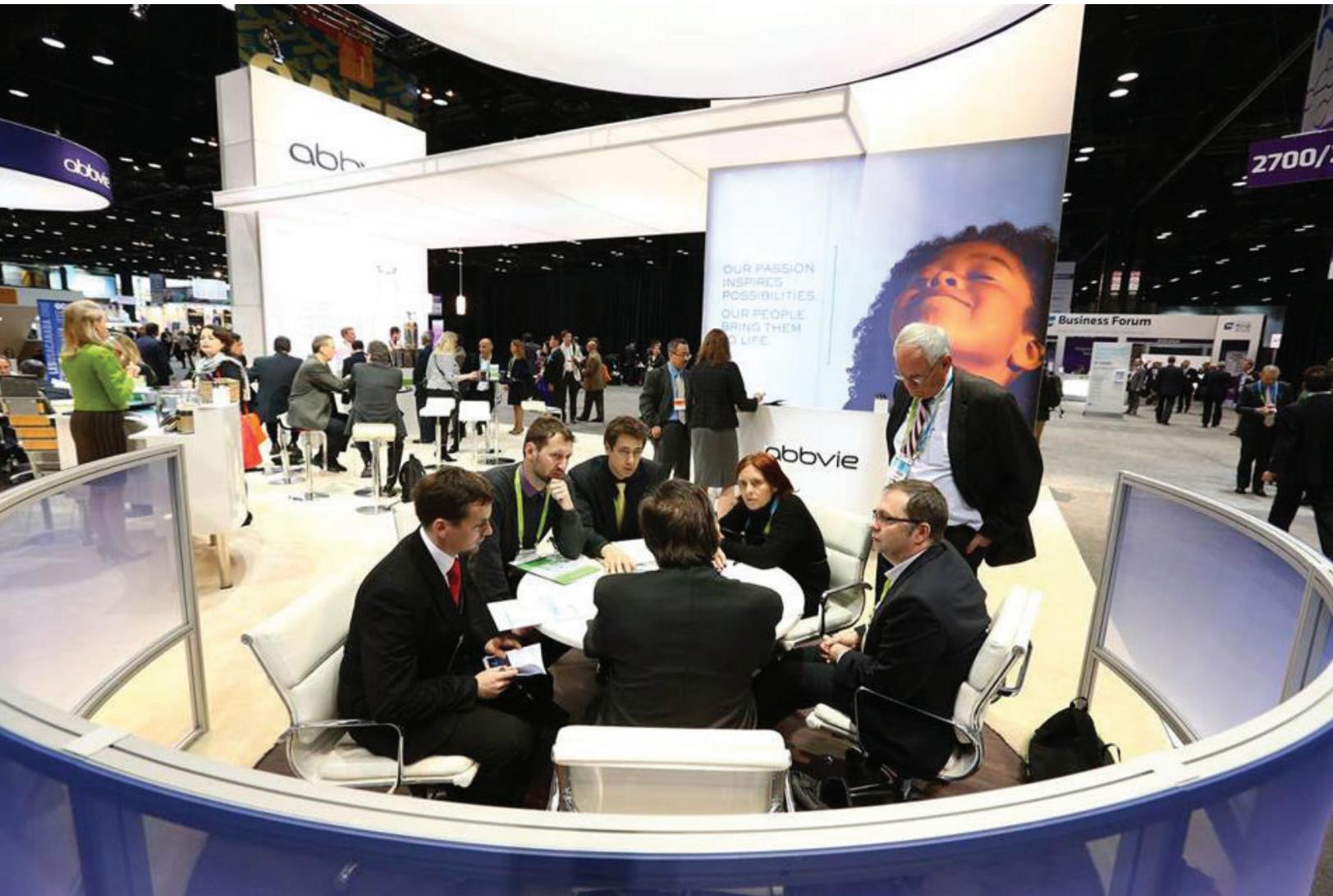


Building a Better Partnering Presentation

Linda Pullan, Ph.D., Pullan Consulting



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Background

Whether seeking a partnership with another company to obtain funds, or looking to advance a drug candidate or technology, organizations need to present opportunities as attractively as possible to persuade potential partners. No matter the form of the presentation, the audience must quickly understand the answer to their primary question, “What’s in it for me?” If they can’t see what’s in it for them, they’ll stop paying attention.

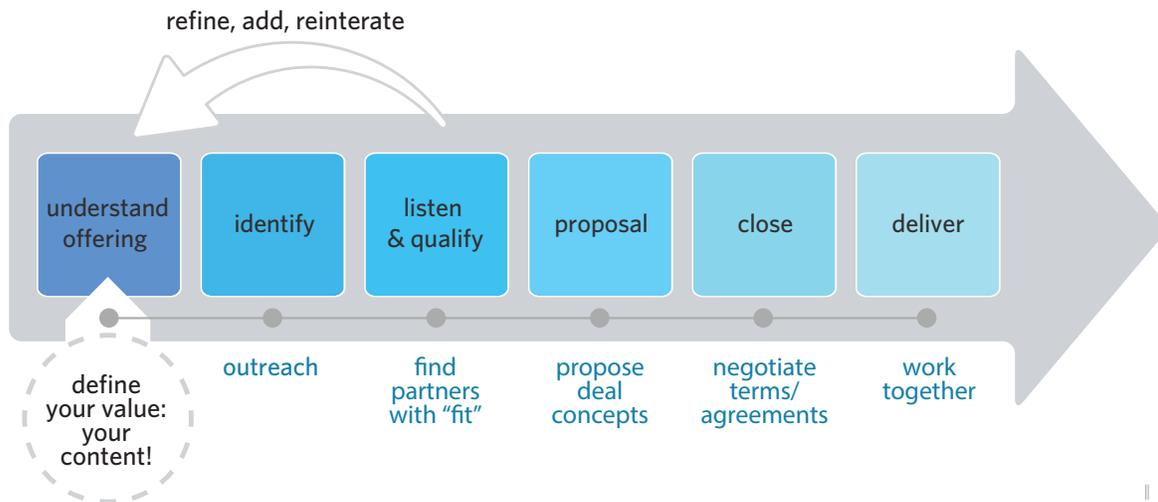
Throughout this paper we will go through a few different ways to help answer the “What’s in it for me?” question. We’ll look at each form of the partnering pitch tailored to each stage of the partnering process while considering the audience and their common questions. We will consider confidentiality, organization and style tips for successfully selling an opportunity with perfect aim at the audience.



The Partnering Process

The partnering process is similar to the traditional sales process, with steps to:

- understand the offering
- identify potential partners (outreach)
- listen & qualify to find the partners with a “fit”
- propose deal concepts
- negotiate an agreement
- work together



Complex technical opportunities require significant preparation to understand what about your opportunity the partner will value. Describing and supporting the value of the opportunity to the partner becomes the content of a partnering presentation, answering

the question “What’s in it for me?” And as your understanding of that value can be increased by discussions with potential partners, it is good to reshape and refine the content of the presentation accordingly.

The partners have a process too, moving from introductions to:

- **non-confidential presentations**
- **signing confidentiality agreements (termed CDAs or NDAs)**
- **diligence to really understand the opportunity**
- **term sheets**
- **final agreements**

Pharma companies can see over 500 opportunities a year in a single therapeutic area. Their process aims to filter down to the best opportunities. Fewer opportunities make it through each level to reach the final goal of a signed deal.



A partnering presentation should be designed to get to the next step, clearly presenting information the partner needs to appreciate the value of the opportunity.

What Partners Want to Know

Partners usually have a few key questions that should be clearly addressed in a partnering presentation.

1. Why this one?

Essentially, the prospective partners want to know what unmet needs this opportunity addresses, what makes it special and how it compares to market standards and developing competition. This is essential in every partnering presentation and a short answer to “Why this product?” should be right at the beginning.

2. What is its potential?

While this question often refers to market potential, clinical impact is a good correlate for the dollar size of a market. Potential partners also often see mechanism of action as part of the evidence for the potential clinical impact of an opportunity.

3. What are the risks and when can they be addressed?

The earlier risks are addressed, the less costly they become. Risks considered include the completeness of the data, as well as practical issues such as solubility, pk, stability, ease of manufacturing, etc.

4. What needs to be done and spent to capture the value?

What is the path to the market? How are they are going to demonstrate value in the market so that insurance companies reimburse the purchase of the drug? Partners want you to show them your thinking on the pathway to demonstrate the value, even for very early stage opportunities.



Different Types of Partnering Presentations

There are different types of partnering presentations appropriate to the stage of the partner's filtering of opportunities. In any presentation, remember to tailor the level of detail to the audience. The partnering presentation is generally aimed at someone who has a scientific background, but is generally not an expert in the particular science of the opportunity. Avoid field-specific vocabulary and jargon. Provide lots of context so that a particular point can be appreciated as important by someone not well-versed in the field.

Elevator pitch or teaser

The first stage is an introduction to get started on the partnering discussions. This usually involves what is called an elevator pitch, or its written equivalent, a teaser. An elevator pitch is a short pitch you could deliver if you were to meet a potential partner and ride up with them on the elevator. In this brief moment, you have to explain why your opportunity is special. You're not expecting to provide enough information to close a partnership deal. You're only trying to get to the next step, when you can share more information.

The elevator pitch or teaser is not a mission statement. Mission statements are not specific enough. The elevator pitch or teaser aims to provide about 4 or 5 bullets for partners to determine if an opportunity might fit their strategy, and how it is different from other opportunities.

Below is an example of a well-written teaser which begins with a quick description of the opportunity (What is it?). It then answers "Why this one?" with comparisons to alternatives, and ends with a call to action.

ImmunGene is working on a next-generation of antibody payload technology to deliver more anti-tumor efficacy via antibody interferon fusions, to target the anti-cancer efficacy of interferon.

- 100-times increase in potency in vivo compared to naked antibody
- 100-times decrease in off-target effects of interferon
- Works where there is resistance to the naked antibodies
- Better than Antibody Drug Conjugates. Does not require high antigen density, receptor internalization or tumor cell proliferation.

ImmunGene is seeking partners to apply the technology to their own antibodies.

The One-pager

Although often a partner will go directly from the teaser (the introduction) to a non-confidential presentation, a one-pager can be a useful handout.

The one-pager is also known as an executive summary. It should include:

- a brief description of the opportunity
- its potential
- why it is special
- what you are looking for
- your contact information

One page is ideal, but two is acceptable. Consider how documents are read to construct the one-pager; eyes move from top left to bottom right, so the most important aspects to capture their interest should be at the top left. Since people tend to skim, not read every word, use cues such as bolded words, colors and headings to guide the eyes to what's important. White space is important to break up the density of the text and help make it easy to read. Contact information at the end is essential.

Non-Confidential Deck

The work horse of the partnering process is the non-confidential deck.

It is the first detailed look at the opportunity, with perhaps 25 slides aiming to answer those key questions that the partner might ask.

1. Why this one?
2. What is its potential?
3. What are the risks and when can they be addressed?
4. What will I have to do or spend to capture the value?

A partnering presentation should be different than your pitch to investors; a partnering pitch is focused on the "what" (the drug or technology), not the "who", so the team and advisory board are much less important. For partners, unlike investors, the price tag is generally

not a selling point. A decision is made first if there is interest in the science, and the price comes much later in the process.

Provide enough information for the potential partner to make a decision on strategic fit, but don't include everything in the non-confidential presentation. Sometimes the risks portion of the presentation can be held off until a later stage. However, if there is a major problem, it's better to address it earlier rather than later. The primary goal is clarity. You want a simple straight line to the takeaway message. If it doesn't lead straight down this path, throw it away. You're not trying to convey the entire story, only trying to get to the next step. Keep it as simple as possible.

Don't label something confidential if you do not have a confidential disclosure agreement (CDA or NDA)

with a company. Some companies may reject a deck if it is labeled as confidential and they have not signed a CDA.

A non-confidential deck should cover what is already in the public domain (and typically a CDA excludes from protected confidential information anything that is already in the public domain). Exclude from a non-confidential deck information that would enable a competitor, such as chemical structures and manufacturing processes, unless these are already in the public domain. Exclude anything that might be the basis of a future patent filing.

Critically important is to remember that the non-confidential deck

needs to communicate clearly to people you have never spoken to. In the evaluation of your opportunity, the deck is often circulated to a team of diverse functional experts (representing metabolism, toxicology, IP, etc.), who may not have heard your talk and may have a lesser grasp of areas outside their domain of expertise. Therefore, the partnering deck needs to be different from a great talk, with more details to aid understanding of every chart. You can have two versions: a simplified version used as an accompaniment to the talk, and a more complete deck that includes more detail, ensuring that it speaks for itself. Going through a non-confidential deck out loud can help you hear any difficulties in the flow or clarity.

Organization of the Presentation

Don't forget to include contact information, typically on the first and last slide. However, the most important slide in the deck is the first slide after the title slide.

The first content slide should tell what is in it for your audience (making them want to learn the rest of the story) and set up the structure coming after it. Common organization structures include:

- problem - solution
- preclinical, clinical and manufacturing
- efficacy, safety and manufacturing
- claims for superiority and evidence for each claim

A powerful technique is using slide titles as take-home messages for the content of that slide. By providing a strong message title, you help shape their interpretation of that slide. The slide title messages also reflect the organizational structure of the presentation that was introduced on the first content slide. Slide titles as messages enable a reader to go back and flip through the deck, reading the titles to "get" the content. You lay out the best possible summary of the opportunity with strong message slide titles.

Style Tips for Creating a Powerful Presentation

Make it as easy as possible to read at a glance. Use as few words as possible, using fragments rather than complete sentences for easier reading at a glance.

Smaller fonts and wide spacing can be easier to read than big fonts when presentations are read on paper or computer screens. Consider a minimum of 6pts of line spacing between lines.

Make it easy to understand what the important points are. For complex slides with multiple charts or figures, add a takeaway message above each graph to make it clear what the prospective partner needs to understand from that figure. Also use circles and arrows to direct the eye to the most important portion of any complex figure. Add labels to the ends of lines using the same colors

for the labels as used for the lines so the interpretation of the graph does not require study of a legend or caption.

One useful tool is Microsoft's PowerPoint SmartArt (found under the Insert menu). It helps organize information visually, making big concepts easier to grasp. The colors and shapes can be varied to give a branded look. The figures in this document used SmartArt.

Finally, convert the deck to a PDF and keep it under 3MB to make sharing easy. Pictures inside the deck can be compressed (using the commands **format > compress > apply all**) to make the deck smaller.

Summary — Key Take-Aways

It is vital to quickly answer the audience's question of "What's in it for me?" This is true for the short introductory elevator pitch, the one-pager and the non-confidential deck, each designed for the stage of the partnering discussions.

The key questions the partner will want answered include

1. Why this one?
2. What is its potential?

3. What are the risks and when can they be addressed?
4. What will I have to do or spend to capture the value?

Everything should aim for clarity and ease for the reader. The first slide is critical to capture the audience attention and set the framework for what is to come. Using slide titles as take-away

messages can help convey the organization of the presentation, and make it easy to review the important points of the presentation. Don't forget your contact information!

Using ShareVault in Your Presentations

ShareVault provides a secure document sharing solution to help Life Science companies share assets with others from around the world and can be used to ensure an effective presentation.

Decks can be saved in ShareVault and can be viewed by people who were not there for the live presentation. Advanced permission controls and reporting allow you to maintain complete control of your documents all

while knowing which prospective partners have spent time to view your presentation and accompanying materials. Present documents, files or images to prospective partners in a simple, professional and easy-to-use format.

About Linda Pullan

Linda M. Pullan, Ph.D. offers biotech and pharmaceutical companies consulting in all aspects of partnering through Pullan Consulting (www.pullanconsulting.com). Linda has a Ph.D. in Biochemistry and a B.S. in Chemistry. Linda has more than 20 years of drug industry experience, beginning in drug discovery at Monsanto/Searle/now Pfizer and ICI/Zeneca/now AstraZeneca. After doing licensing at what is now AstraZeneca, Dr. Pullan continued as head of oncology and hematology licensing for Amgen. She then joined Kosan Biosciences as VP of Business Development and experienced all the tasks of out-licensing and business development in a small company. For several years, she has been providing companies help in identification, evaluation, valuation, negotiation and strategy for partnering in or out. She has an extensive deal sheet ranging from company acquisitions to Phase III compounds and from preclinical candidates to technologies, with both in- and out-licensing. She writes a free monthly newsletter, *Pullan's Pieces*, with tidbits of science and business. Interested readers may sign up by sending an email to linda@pullanconsulting.com.

About the 2014 BIO International Convention

The world's largest biotechnology gathering, the BIO Exhibition allows exhibitors to reach high-level executives and influential decision makers who come to BIO to discover new players in the industry, form partnerships and evaluate emerging technologies. The BIO Exhibition features more than 1,700 exhibitors and covers approximately 180,000 square feet. The exhibition also includes 60+ state, regional and country pavilions who in turn host many companies from their regions.

The BIO International Convention is the largest venue for private company-to-company meetings in the world. According to an independent survey, partnering events such as BIO drive the majority of successful deals in the biopharma industry. In 2013, BIO hosted a record-breaking 25,537 partnering meetings between 2,846 companies and featured 167 company presentations. The BIO One-on-One Partnering™ System is the most efficient and economical way to find a business partner. The system allows attendees to search thousands of company profiles and request and schedule an unlimited number of face-to-face meetings. The BIO One-on-One Partnering System will open in early April, and we anticipate 28,000 to take place at BIO 2014 in San Diego in June.

About ShareVault

ShareVault™ is the industry leader in supplying intuitive, innovative virtual data rooms that provide a simple and secure way to share sensitive documents with third parties during the due diligence process.

The on-demand platform is an innovative cloud-computing solution that enables its customers to manage critical time-sensitive and document-centric processes faster and more intuitively. ShareVault offers the highest degree of security and reliability combined with unparalleled speed, ease of use and functionality. Backed by the experience of billions of dollars in successful deal transactions, along with industry-leading customer support, ShareVault can be a critical tool in accelerating deal transaction times and increasing deal success rates.



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