Workshop

Professional Communication of Deal Structure and Asset Valuation in Life Sciences

29 September 2009

Ideon Science Park, Lund, Sweden

TRAVEL Suggestion
From Kastrup airport
45 min by train to Lund + a short taxi drive
or
50 km by car directly from Kastrup to Ideon in Lund
[There is a fee for the passing the Öresund bridge by car]

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bioevaluation BO AB

CEFFORT®

Workshop
Professional Communication of Deal Structure and Asset Valuation in Life Sciences

29 September 2009

Venue: Ideon Science Park, Lund, Sweden (room: Enoch Thulin, β-building)

Overview Programme

09.30 - 10.00 **Registration with coffee/tea**

10.00 - 10.20 **Welcome - Intention with this meeting**
(Jan-Gunnar Gustafsson, Bio Evaluation BO AB and Gunnar Hörnsten, CEFFORT AB)

Plenary program:

10.20 - 10.50 **The way to be successful and ahead of your competitors in the changing pharmaceutical world**
(Jan-Gunnar Gustafsson, Bio Evaluation BO AB)

10.55 - 11.25 **To use successrate, risk, time and cost to evaluate projects in development of drugs**
(Gunnar Kjellin)

11.30 - 12.05 **Patenting strategies as value drivers of science-based start-ups**
(Finn Valentin, Copenhagen Business School)

12.10 - 12.25 Short break

12.30 - 13.00 **Valuation and its reflection on deal terms and vice versa**
(Urban Paulsson, KLA Adokatbyrå)

13.05 - 14.00 Lunch and networking

14.00 - 14.30 **The valuation tools and how to use them for your benefit**
(Jan-Gunnar Gustafsson, Bio Evaluation BO AB)

14.35 - 15.05 **Drug-Companion Diagnostic Co-Development. A value driver in development of pharmaceuticals?**
((Henrik Winther, DAKO A/S)

15.10 - 15.30 Coffee

15.35 - 16.20 **Demonstration of a valuation software solution; the Ri:val Valuation Software**
(Ole Wiborg, Wiborg ApS)

16.30 - 16.40 **Suggestion to a CEFFORT® on valuation in Life Sciences in preparation of an EU project**
Gunnar Hörnsten, CEFFORT AB, Jan-Gunnar Gustafsson, Bio Evaluation BO AB and Finn Valentin, Copenhagen Business School

16.40 - 17.00 **Discussion and Closing remarks**

17.00 **Drinks**

The intention with this meeting

(Gunnar Hörnsten, CEO, CEFFORT AB and Jan-Gunnar Gustafsson, CEO, Bio Evaluation BO AB)

Abstract: Following on the traditions of NbiNet and DiagISN, this meeting contributes to information exchange and development of business and R&D in the Nordic region.

A key ambition is to support our members in the strengthening of their international competitiveness. This is done through promoting networking and collaboration among companies in the Nordic region that wants to improve tools and communication on valuation within Life Sciences.

The way to be successful and ahead of your competitors in the changing pharmaceutical world

(Jan-Gunnar Gustafsson, CEO, Bio Evaluation BO AB)

Abstract: There are currently great opportunities available in the pharmaceutical segment, especially for biopharmaceuticals. The expansion in the field will emerge mostly from new biotech products. The structural changes have taken place as Big Pharma focus on phase III and commercial stages. Big (bio) Pharma need to purchase and financially support compounds/projects/companies that they can not generate themselves. The start-ups and biotech companies are to be the ones who deliver. The number of new (virtual) companies will increase drastically. Funding of these companies will come from Big Pharma, Big Pharma investment funds, public/private funds and VC. The financial crisis have put a focus on Big Pharmas product pipeline, (to small) and their need to buy new products.

To be a successful player in this growing field requires that you have the tools for valuation, independently of, if you are buyer, seller or investor. Now is the time to act, to be the first to take advantage of the situation.

To use successrate, risk, time and cost to evaluate projects in development of drugs (Gunnar Kjellin)

Abstract: In big pharma it is very important to have good control of the whole portfolio of projects. With more then 10 years experience of portfolio management in Astra and AstraZeneca the talk will include how to use several parameters like success rate, risk, time and cost to evaluate projects and use these data in resource management and in the prioritisation process.

Patenting strategies as value drivers of science-based start-ups

(Finn Valentin, Professor at CBS, Director of Research Centre on Biotech Business)

Abstract: Findings are presented from the feasibility phase of a study in preparation. Early development of bio-ventures involves strategic choices, shaping their translation of research into business. These choices are reflected in the evolving patent portfolio of each firm, and from early on they affect the value of the new firm. In a full scale study we will identify these effects

on firm value. The presentation on the workshop outlines preliminary findings on effects on valuation of bio-start-ups of their evolving patent portfolios. Three interrelated issues are addressed:

A novel methodology is developed, translating patent-portfolio attributes into indicators of key strategic dimensions

For a sample of bio-ventures specialized in drug discovery these indicators are applied to characterize strategies over their early years of operation.

Effects of strategy characteristics on valuation are identified

Valuation and its reflection on deal terms and vice versa
(Urban Paulsson, Lawyer and Partner KLA Advokatbyrå)

Abstract: The true value of your asset should be reflected in the deal terms because the deal terms will drive the valuation of your company. We will look at the key value affecting deal terms, various ways of structuring these terms and how it will affect the value of the deal and your company.

The valuation tools and how to use them for your benefit
(Jan-Gunnar Gustafsson, CEO, Bio Evaluation BO AB)

Abstract: The valuation tools and strategies for how to use them for your benefit will be described. Being able to do valuation calculation is a strong tool for staying ahead of your competitors. Not all project/companies will be successful, as always. However, for you to gather the right project/companies, valuation tools are a must, for you and your company to be a successful one.

Demonstration of a valuation software solution; the Ri:val Valuation Software (Ole Wiborg, CEO, Wiborg ApS)

Abstract: Valuation of biotech and pharmaceutical projects is a challenge because of the long development times and inherent risk factors, both with respect to technology and market. But valuation is critical: for business case assessment, preparation of deal terms and for prioritization of projects, just to mention a few.

Ri:val is an example of a software solution that aims at capturing the complexity of the task of valuation but at the same time being a user-friendly and understandable tool for other than expert users. With this software it is possible through a step-by-step process to quickly generate valuation results and to explore multiple scenarios. Ri:val also provides access to up-to-date industry data on drug development that is important for determining risk and market input. Examples of valuations of license contracts, drug development projects, pipelines, and biotech or pharma firms will be shown during the presentation.

Drug-Companion Diagnostic Co-Development. A value driver in development of pharmaceuticals?
(Henrik Winther, Director Immuno-Histology, DAKO A/S)

Abstract: Development of targeted therapies (personalized medicines) is becoming increasingly important in the aim of meeting the unmet medical needs within oncology. A cornerstone in assessing the efficacy of these targeted therapies is the identification of the right patients for the pivotal clinical trials. As targeted therapies mostly only affect a fraction of the patient population it is crucial to access this sub-group of patients with the pivotal clinical trials. Lack of patient profiling will lead to over-treatment and hence misinterpretation of the trial results. The consequence is unnecessary human suffering and dramatically increased development costs. An example of a successful Drug-Companion Diagnostic Co-Development will be given.

Suggestion to a CEFFORT® on valuation in Life Sciences in preparation of an EU project
(Gunnar Hörnsten, Jan-Gunnar Gustafsson and Finn Valentin)

Abstract: Evaluate the financial aspects of Companion diagnostics and Drug Diagnostics Co-Development on optimal resource allocation along the critical path. It is a great opportunity to reduce cost/investment by shortening the time to market for highly efficient treatment based on individualised therapy. Time to market is the most important factor in drug development. As a starting point we will identify a few scenarios that we will build the future modeling work upon. The long-term intention is to deliver solutions for optimal therapy through advancing the clinically available decision support in areas where we have known deficiencies in current health care.

Workshop organisers

Gunnar Hörnsten, CEO
CEFFORT AB
www.ceffort.biz

Jan-Gunnar Gustafsson, CEO
Bio Evaluation BO AB
www.bioevaluation.se

Persons:

Jan-Gunnar Gustafsson has more than 18 years in the bio-pharmaceutical industry and 30 years in biotechnology. He has broad experience of manufacturing and process development of biopharmaceuticals, including technology transfer to large-scale production plants. He has also been responsible for marketing, selling, proposals and negotiations 'Fee For Service', including setting up of the strategy for the business. Has performed Due Diligence and set up the legal and business deal. He has an Executive MBA from The Stockholm School of Economics and was member of the board for CBioSep, the Swedish Centre for Bio Separation in Lund, Senior Vice President, Process Development and Manufacturing, Resistentia Pharmaceuticals AB, CEO for EntreprenörCenter Development AB, Uppsala and Klostervine AB.

Gunnar Hörnsten has more than 25 years of experience within Biotechnology. He has established, coordinated or managed Networks and larger R&D programmes involving many participants (total exceeding 150) on the Nordic market since 1994. With a PhD from Linköping Institute of Technology he has worked cross-diciplinary within Life Sciences. His specialty area involves analytics within Microbiology and Biotechnology. Founder of Hörnstens Analytica in 1992. Founder and CEO of CEFFORT AB in 2009.

Gunnar Kjellin developed processes and tools for portfolio management in Astra and AstraZeneca over a period of 10 years. He has had several senior positions in Astra like Project Director, Coordination of projects, Head of R&D in Lund, Head of Research Unit in Bangalore, India and Director of Portfolio Management. Gunnar Kjellin has a PhD(Fil .lic) in Organic Chemistry and was employed as research chemist in 1969 to Astra and retired end of 2006.

Dr. **Henrik Winther** has almost 9 years of experience within development of cancer diagnostic antibodies used as confirmatory single reagents or in companion diagnostic assays. He is presently director of Immunohistology and Companion Diagnostics (pharmDx) at Dako. He was educated as a veterinarian and holds a PhD within the topic of "angiogenesis".

Urban Paulsson is a partner at KLA Advokatbyrå where he heads the Life Sciences practise. He joined Karlerö & Co from Bird & Bird where he had been a partner since 2002 heading their Life Science Group in Stockholm. He is a member of the Swedish Bar Association. He has built up considerable experience of the Life Sciences industry starting 1994, when he joined the Pharmacia Corporation as a legal counsel and where he focused on transactions involving licensing, acquisitions and divestment. He has also worked as general counsel at Vitrolife AB, a medtech company listed on the Stockholm Stock Exchange. His practise today covers a broad range of commercial and corporate law matters for Swedish and foreign life science corporations.

Finn Valentin is professor at Copenhagen Business School in the management and economics of innovation and he also is the director of Research Centre on Biotech Business at CBS. He studies science-driven firms and industries, biotechnology in particular, focusing on factors affecting their competitiveness and value creation. Recent publications study the role of venture capital and organisations of collaborative research with universities. Current work is concerned with patenting strategies and their effects on the value of biotech firms. Finn Valentin has directed the CBS master program in Management of Innovation and he has been a consultant to industry, the Danish Government, the EC-Commission and other international organisations.

Ole Wiborg has held key management position as Chief Operating Officer in the Danish company TopoTarget A/S (2001-2002) and as CEO of the biotech firm SBI Advanced Technology A/S (1999-2001). Before then he worked 10 years for Benzon Pharma and Nycomed Pharma in various positions at Director level in R&D, International Sales and Licensing, most recent as Director of Licensing. He holds a MSc in Chemical Engineering (Molecular Biology) and a Bachelor (economics) from Copenhagen Business School. Co-founder of three companies, an antibody company, one in vaccine field, one in medical device field. Founder of and managing partner in Wiborg ApS. Wiborg ApS was founded in 2002. Since then, the company has worked with more than 60 clients and assessed/developed more than 175 projects in the life science area.

CELS

Binding Registration
Workshop on Professional Communication of Deal Structure and Asset Valuation in Life Sciences

Discount price for members of *CEFFORTs in Life Sciences

early registration (before 090904)	600 SEK/person
final registration deadline 090925	950 SEK/person

Non-members of *CEFFORTs in Life Sciences

early registration (before 090904)	1 950 SEK per person
final registration deadline 090925	2 450 SEK per person

See www.ceffort.org for information on membership

*VAT (25 %) will be added for Swedish participants and participants without international VAT registration number.

Send an email with the information below to:

registration@ceffort.org

Needed information:

- Company/University/Organisation
- Name, email, telephone and address of Participant
- International VAT reg. number (non-swedish participant)

Please: specify which meeting that you register to!

Confirmation of Meeting and Registration (Disclaimer)
A formal confirmation of the meeting will be sent via email to the participants on the day after the final registration date. The organisers takes no responsibility for travel or other costs in the case an unconfirmed meeting is moved to a different venue, cancelled or postponed.

Questions on registration: Call +46 (0)46 286 3351

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