inpart

Partnering 2030: The Biotech Perspective

2023 report

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About

Inpart is the trusted partner for biopharma and science partnering. We provide comprehensive solutions to facilitate, optimize and track interactions in the biopharma, scientific and academic sectors. Our technology is the preferred choice for more than 8,500 companies including 45/50 of the world's leading 50 pharma companies, 25/25 global R&D intensive firms, 25/25 top EU R&D intensive firms and over 200 of the world's leading universities.

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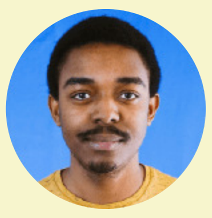

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Context

External innovation continues to be the strategy of choice for the development and commercialization of therapies in the life sciences. Pioneering biotechs with promising approaches to the most essential healthcare challenges are keen to partner with top pharma companies with the experience and resources to get new drugs to patients. For their part, top pharma companies with slimmer R&D operations actively seek out biotechs to help fill their pipelines and maintain revenue streams.

In 2023, out-licensors still struggle to get their foot in the door while in-licensors struggle to navigate through the noise and find the most suitable asset for their research requirements.

Business development teams sometimes tend to concentrate their efforts in the wrong places, pursuing opportunities that often lead to dead ends. Companies that adopt the right tools and mindset, focusing on building and nurturing long-term partnerships, tend to win at partnering.

In this year's report, we delve into the biotech mindset again, with a special focus on the pain points of the earlier stage, **Finding a Partner**, from their perspective.

Methodology

This year’s project builds on the success of last year’s inaugural Partnering 2030: The Biotech Perspective survey and report.

The survey was opened for responses in March 2023 and closed at the end of August 2023. There were **113 complete responses** submitted by biotechs from Europe, North America, and the Asia-Pacific region which considered for this report. **2 incomplete responses** were omitted.

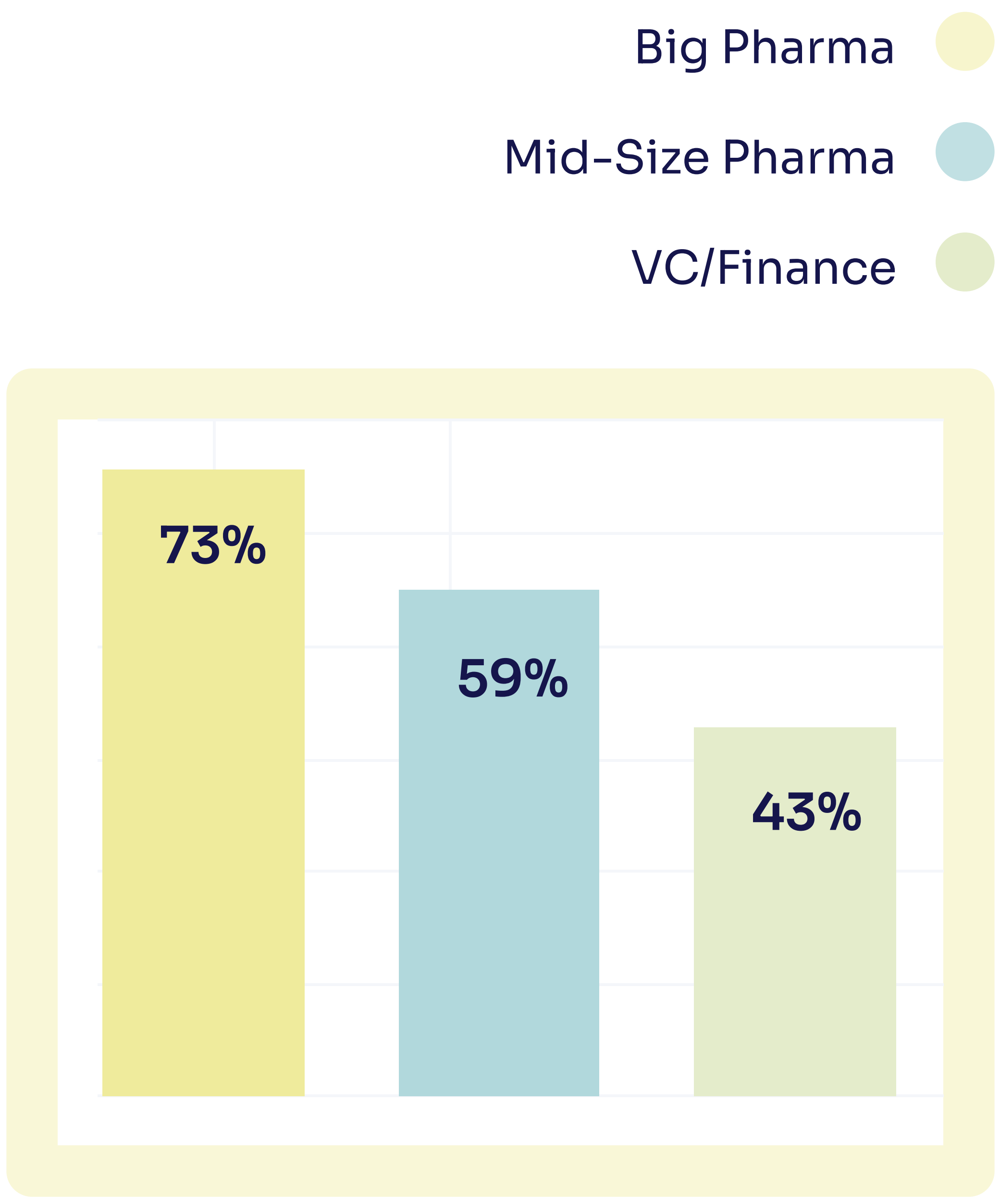
Survey participants were recruited via a variety of means including email outreach to participants in the previous survey, in-person networking at life science events, inserts in newsletters sent by Inpart media subsidiary Labiotech, and advertising on Life Science Nation.

Key Takeaways

Biotechs are increasingly more open to partnering with venture capitalists or other biotechs, but still prefer larger pharma firms. Nearly three in four (**73%**) of respondents expressed a preference to partner with big pharma and nearly three in five (**59%**) with mid-size pharma. In comparison, **43%** expressed an interest in partnering with VC or finance firms.

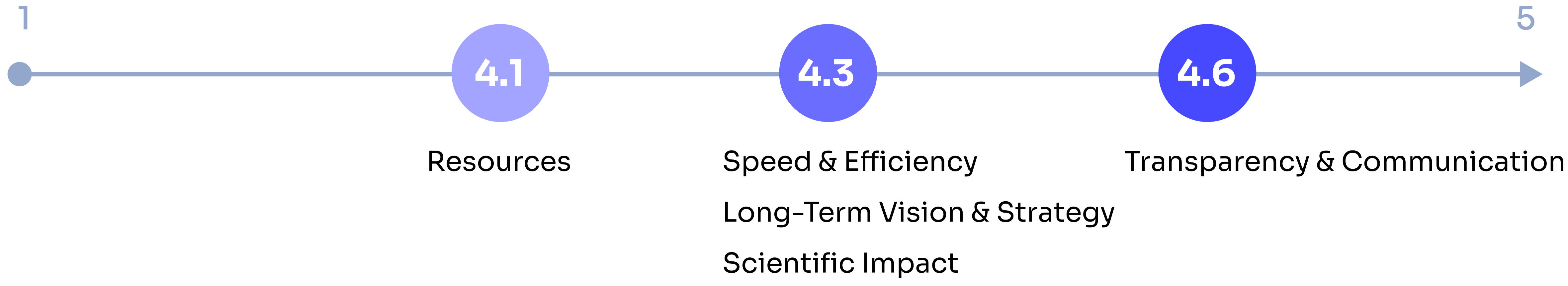
Partnering conferences are key to out-license collaboration strategies. Despite the challenges that biotechs report encountering at partnering events, they remain the cornerstone of out-licensing strategies. **89%** of out-licensors attend partnering events and **81%** rank partnering conferences as their most successful method for meeting a potential partner.

Biotech struggle to get their meeting requests accepted at expensive conferences. 63% of biotech attending events are frustrated with the quantity and quality of their meetings while 60% said that communication ends abruptly after meeting.



Preference to partner

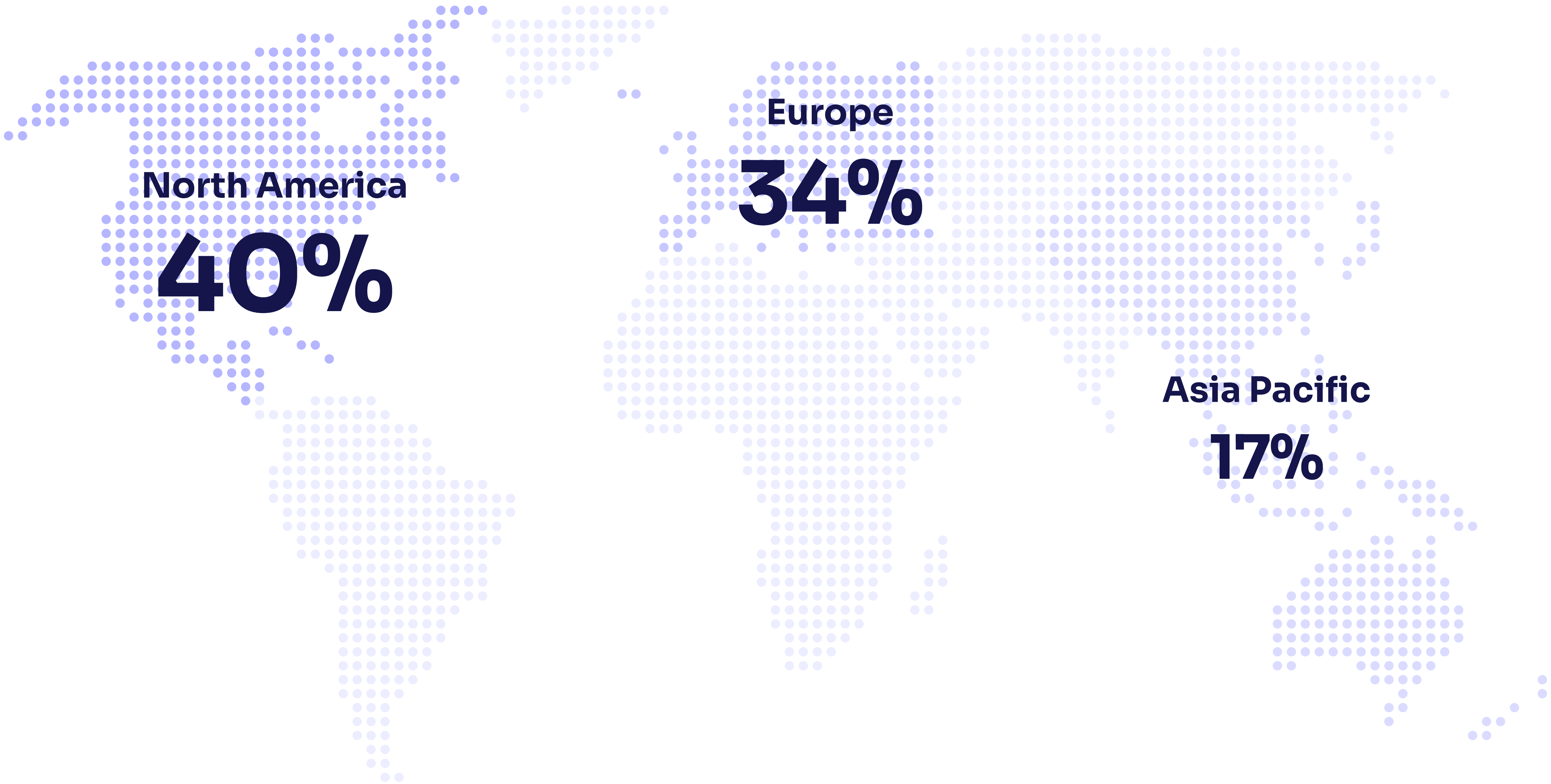
Out-licensors value transparency and communication in a partner above all else. The top partnering criteria financial and human resources; speed and efficiency; long-term vision and strategy and scientific impact; remain important but a partner's commitment to transparency and communication was the most highly valued trait sought in a potential life science partner.



Survey Demographics

A. Geography

A total of **91%** of respondents were based in North America (40%), Europe (34%), or the Asia-Pacific (17%). The remaining 9% of respondents were located in South America, Africa, or the Middle East.

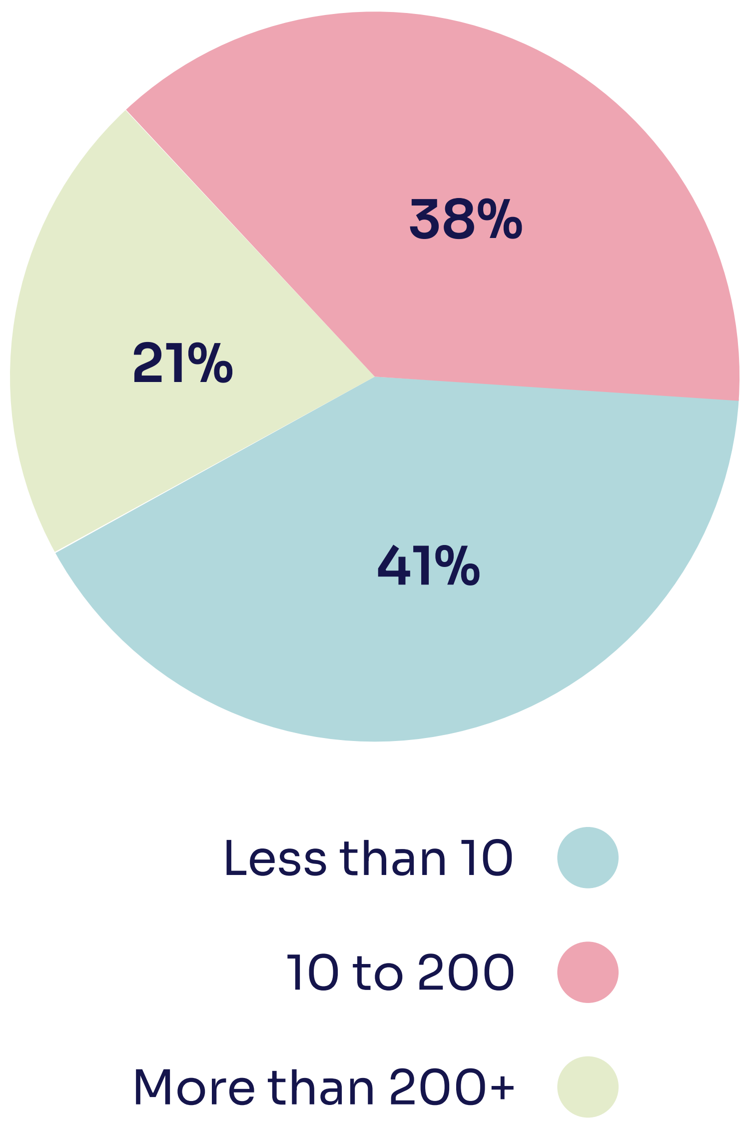


RESPONDENTS BY GEOGRAPHY

B. Company size

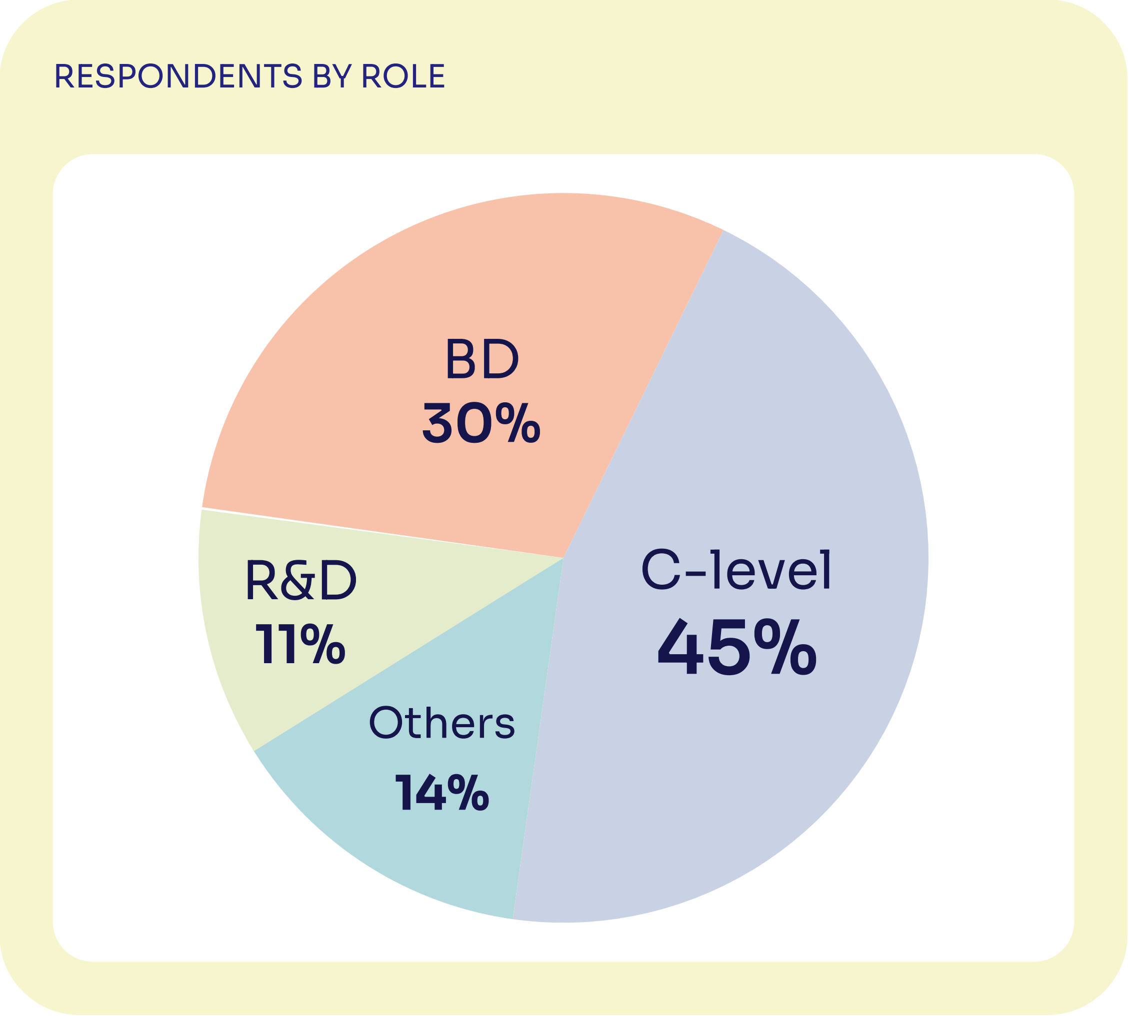
Companies were segmented into three groups based on their employee headcount. **41%** of respondents had less than 10 employees, **38%** had between 10 and 200 employees, and **21%** had more than 200 employees.

RESPONDENTS BY COMPANY SIZE

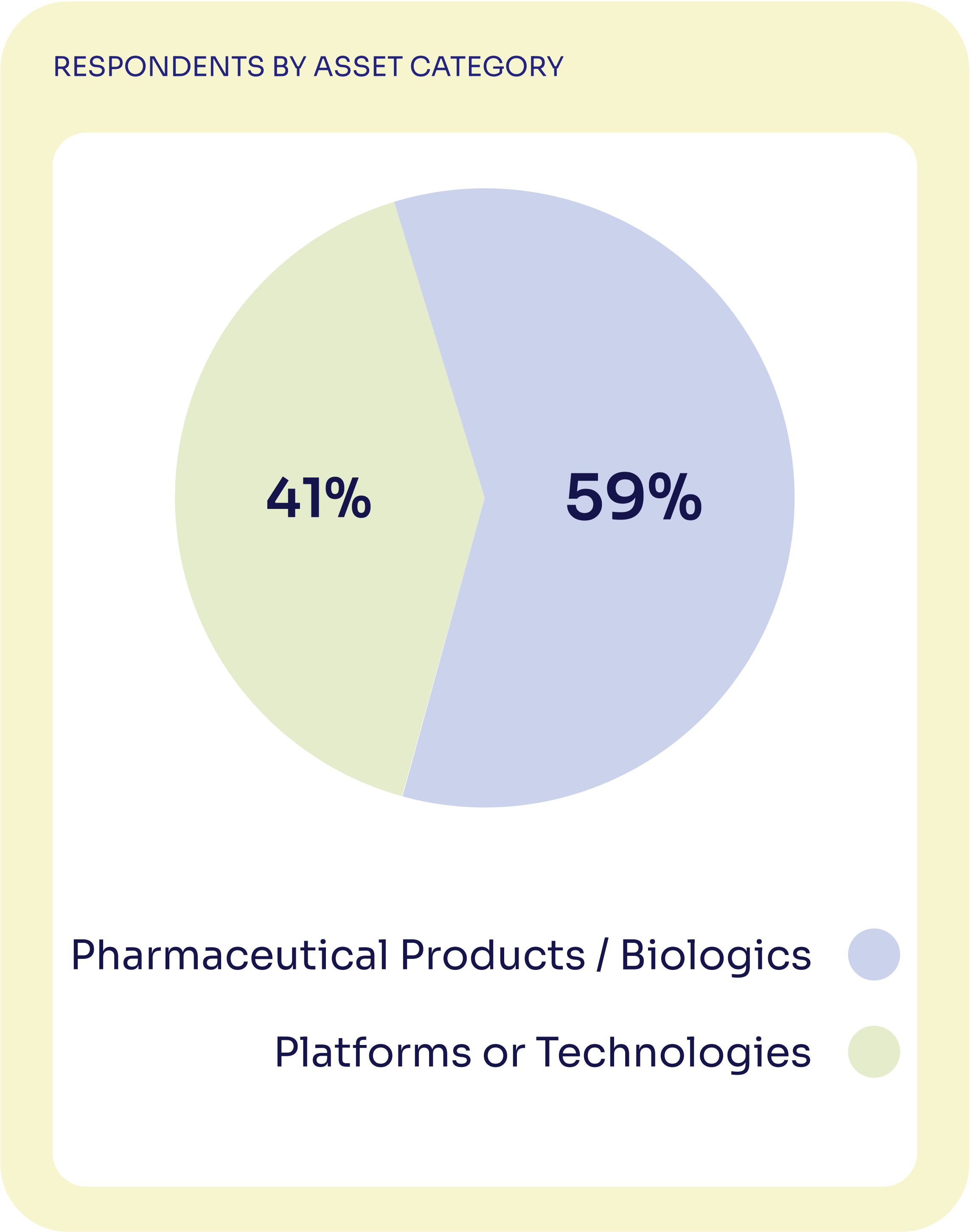


C. Job Role

The majority of respondents were either C-level executives (**45%**) or business development managers (**30%**). The largest number of the other respondents were from biotech R&D departments (**11%**).



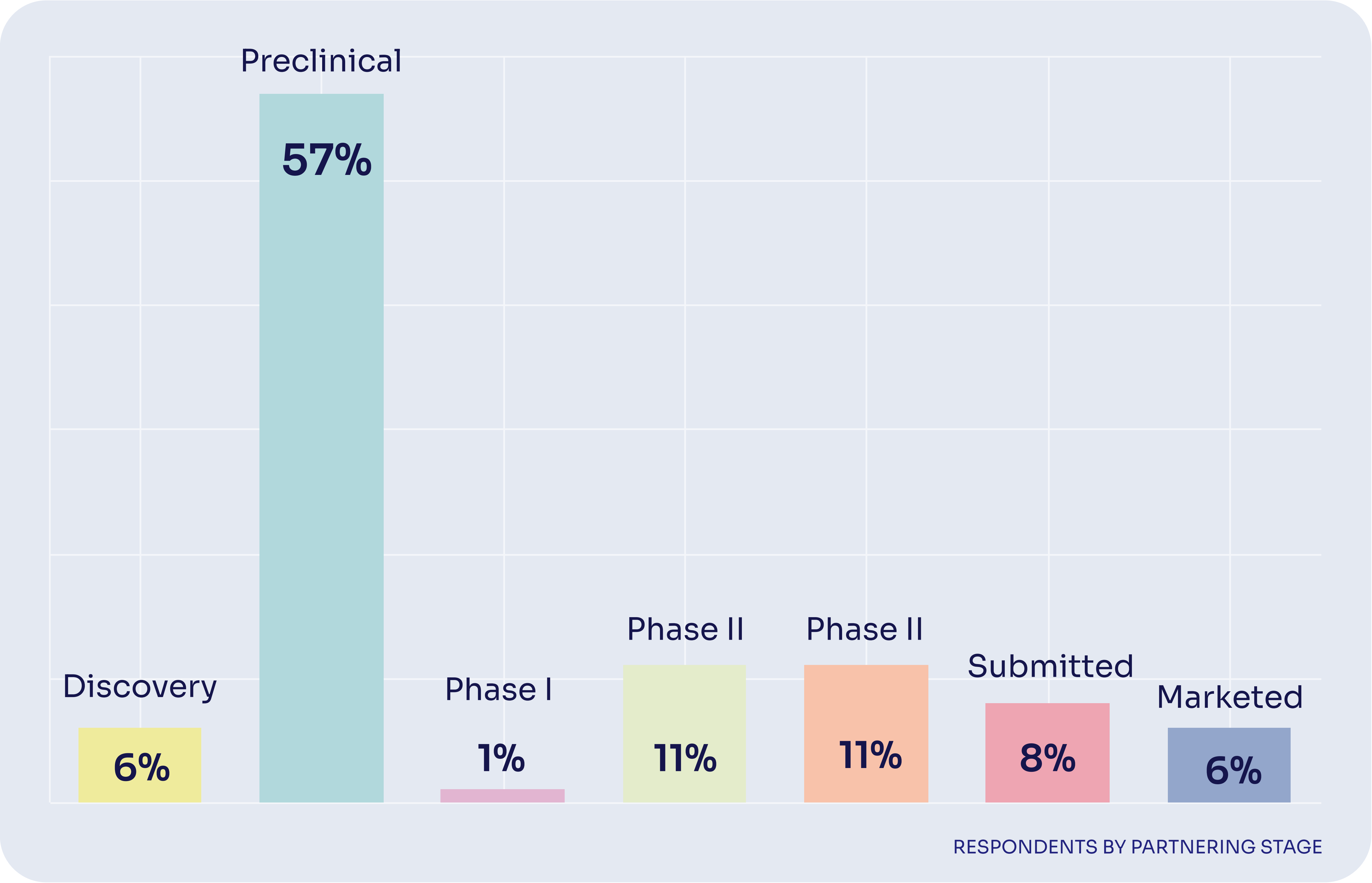
D. Asset Category



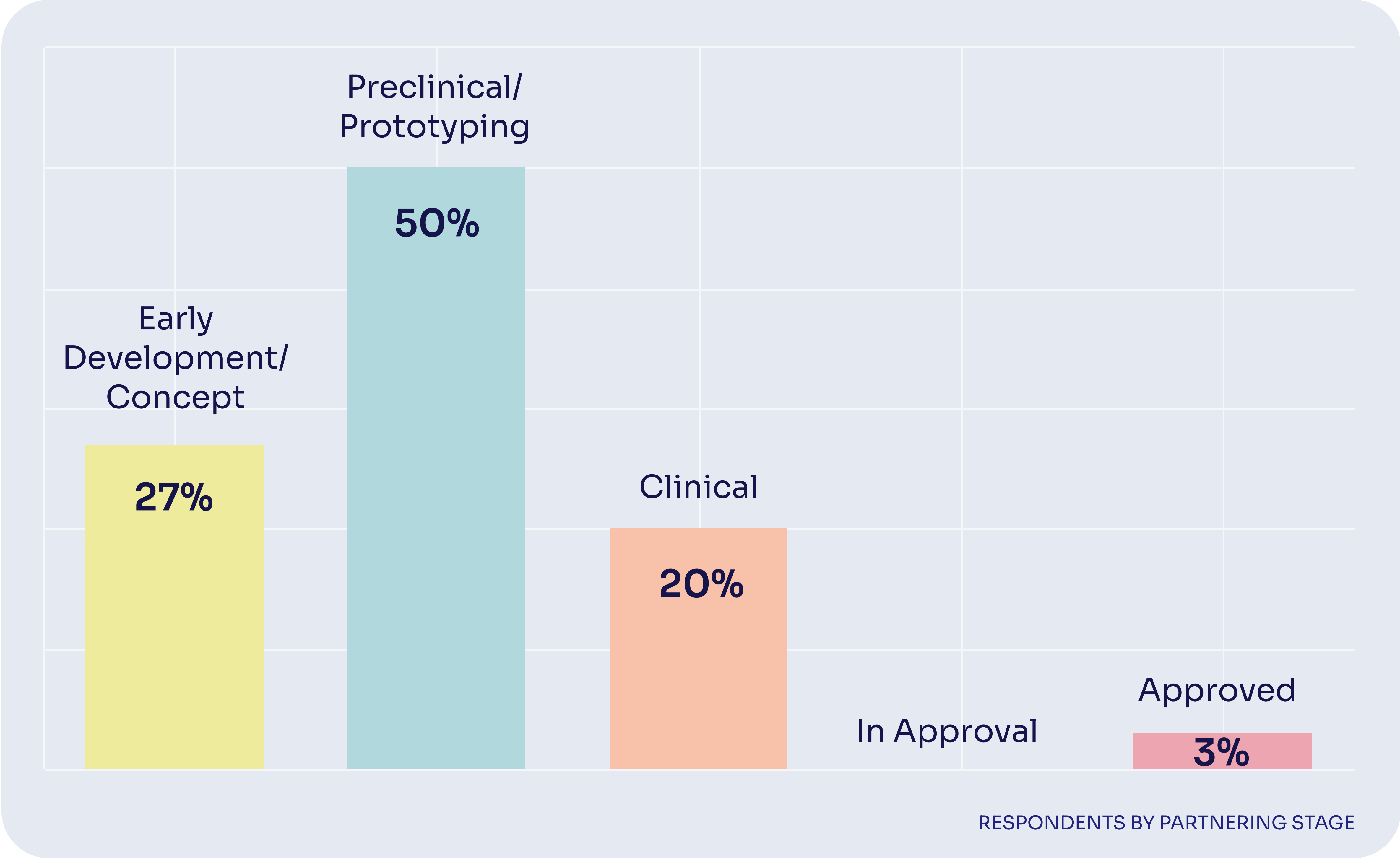
Respondents were split between those seeking to out-license pharmaceutical products or biologics (**59%**) and platforms or technologies (**41%**).

E. Partnering Stage

Respondents with pharma or biologic assets were primarily early-stage out-licensors with a majority (**57%**) reporting that their most promising asset was preclinical. A total of **23%** of respondents had an asset in either Phase I, II, or III. A small number (**6%**) had commercialized their asset.

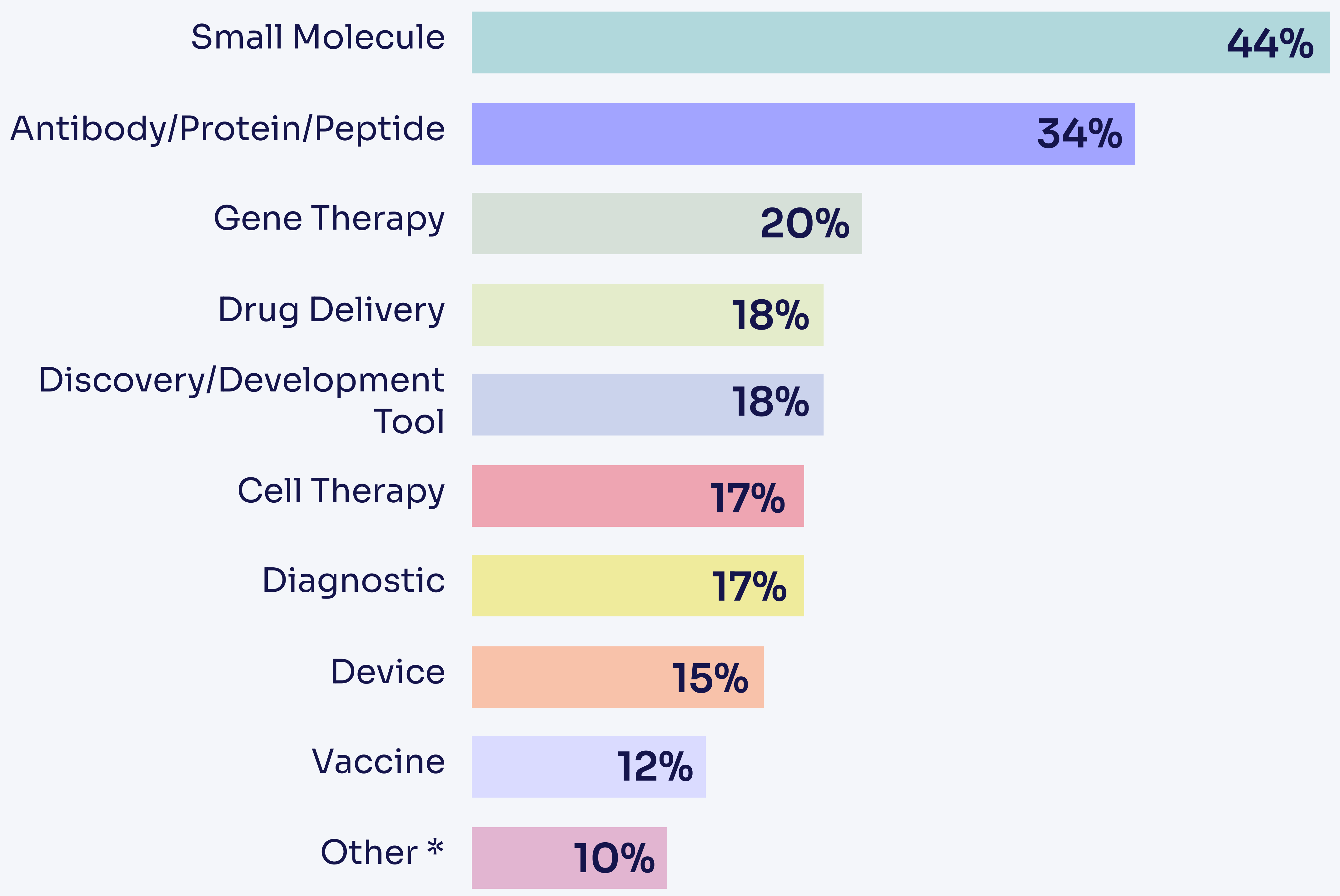


Respondents with platforms or technologies were overwhelmingly at either an early development/concept stage (**27%**) or a preclinical/prototyping stage (**50%**). Only **3%** of respondents had had their most promising asset approved for use.



F. Focus Area

The most common areas of focus for respondents were small molecules (**44%**), antibody/protein/peptide (**34%**) and gene therapy (**20%**).



*Other includes: RNA Therapy, Cell-free Protein Synthesis Platform, Food Supplement, Personalized Precision Nutrition, Bioprinting, Oligonucleotide, Diagnostics.

RESPONDENTS BY FOCUS AREA

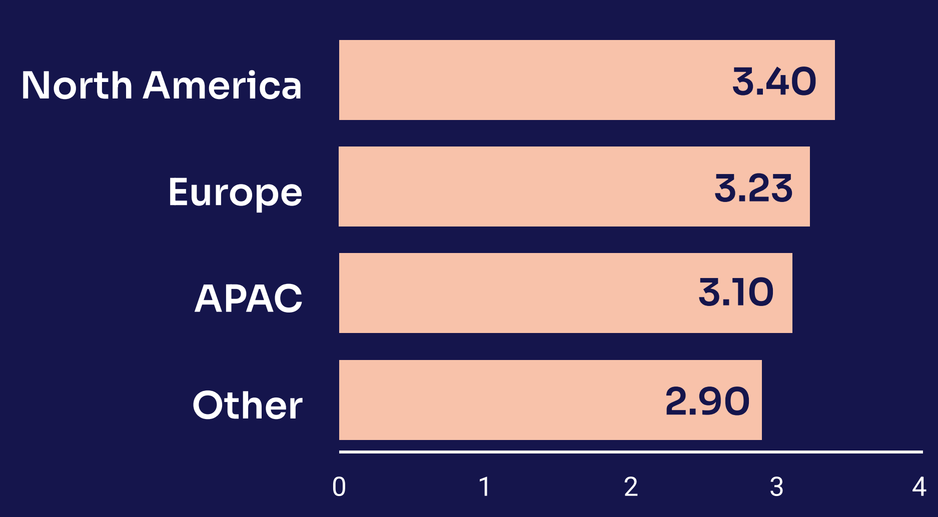
Results

1. Industry Perspectives

A. Environmental Impact

The environmental impact of a top pharma partner and the perception of a partner as 'green' is increasingly a consideration for out-licensors. Out-licensors were more likely to consider the environmental impact of their business than not (**mean of 3.27/5**) but this consideration varied by company size and geography.

North American out-licensors were more likely to consider the environmental impact of their activities than their competitors elsewhere, while out-licensors with **more than 200 employees** were significantly more likely to consider environmental concerns than smaller companies.



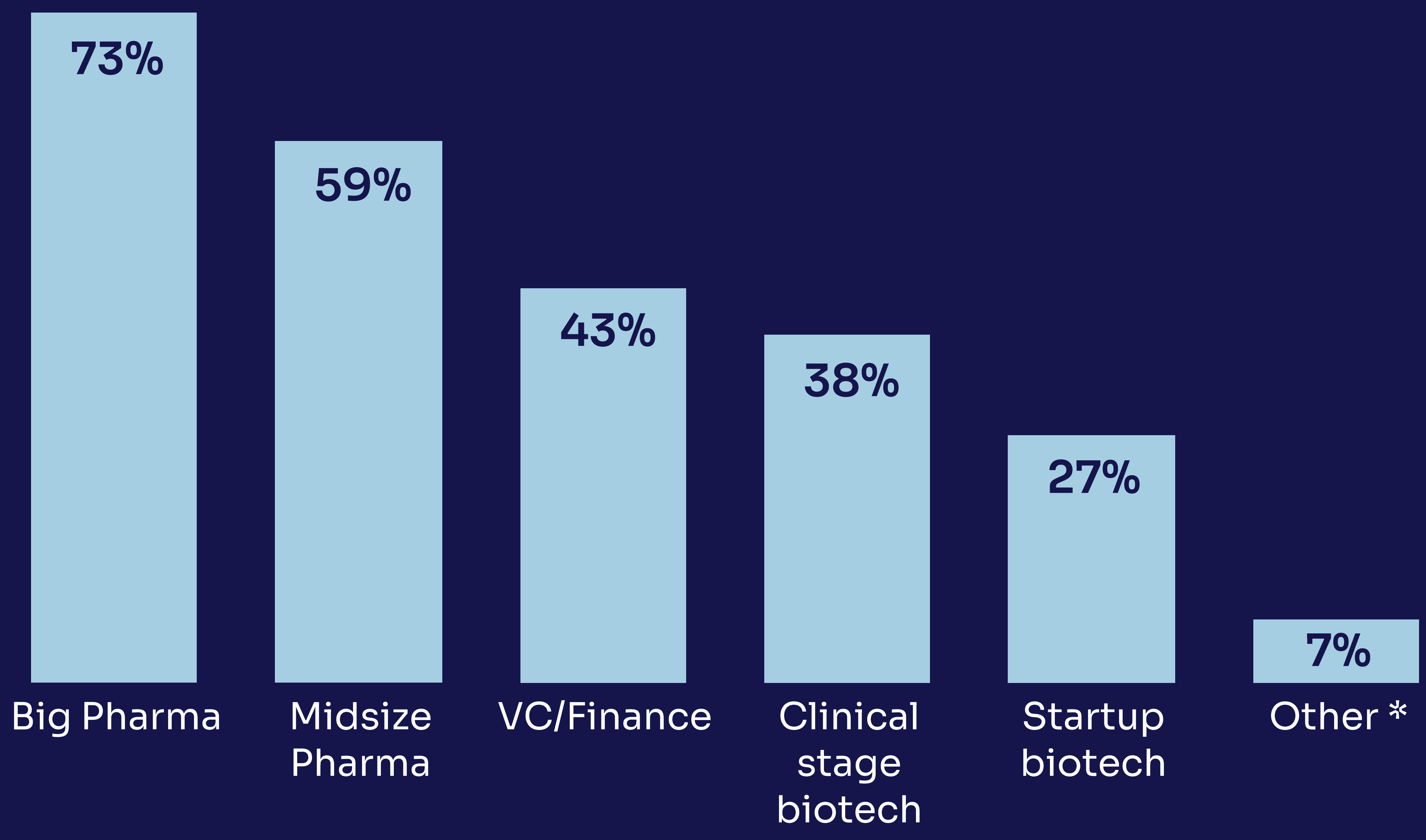
B. Source of Information

Biotech rely primarily on news websites and newsletters to stay up to date on what's happening in the industry (**91%**). Webinars and online events are also popular sources of news (**75%**) along with social media (**48%**). Many respondents also mentioned conferences and databases such as Evaluate as important sources of information.

2. Partner Preference

A. By type

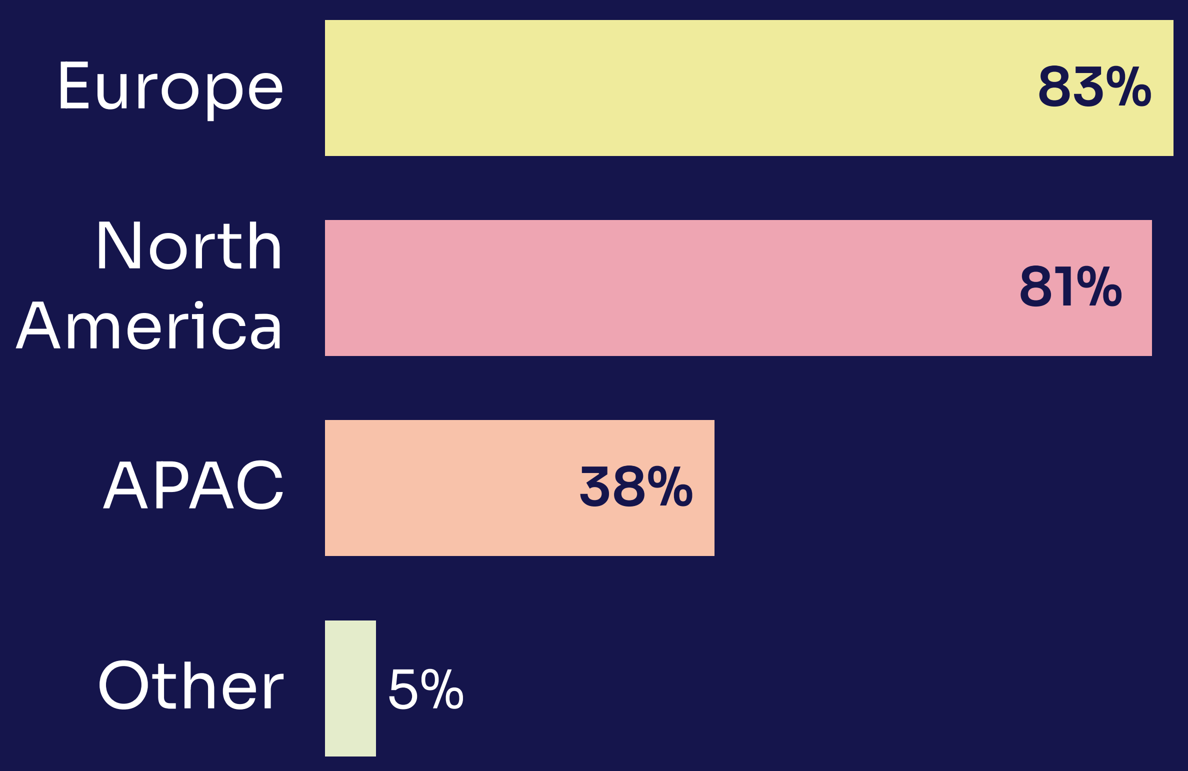
Out licensors sought partners in various domains, with a majority demonstrating a preference for a big pharma partner (73%) and a plurality seeking partnerships with midsize pharma (59%). Venture capital as partners is growing in popularity among out-licensors (43%).



*Other includes: Research institute, Consortia, Academics, Device and consumable producers, Food and supplement companies, MedTech, CDMOs.

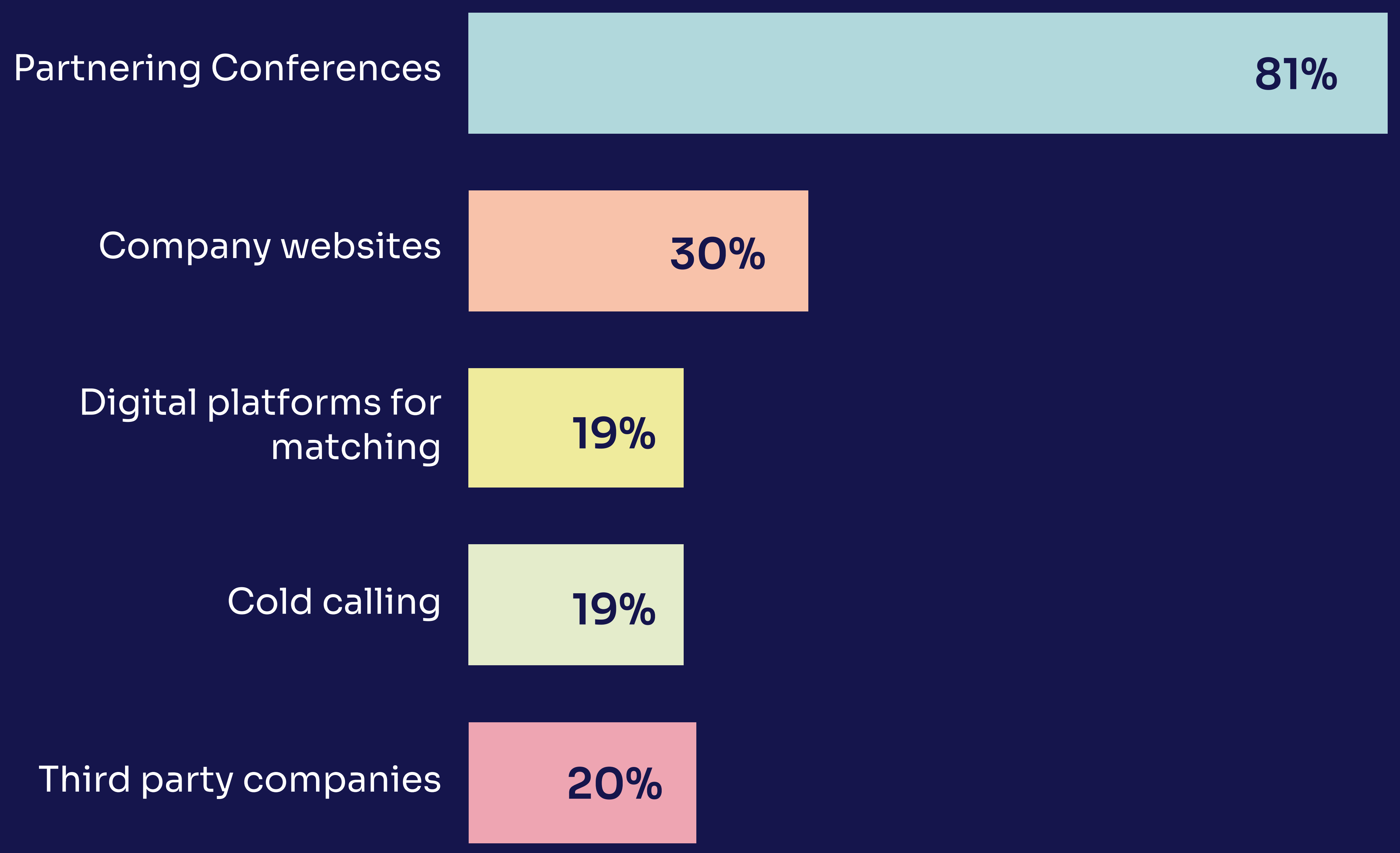
B. By Region

Four in five out-licensors demonstrated a strong preference for partners based in North America and Europe.

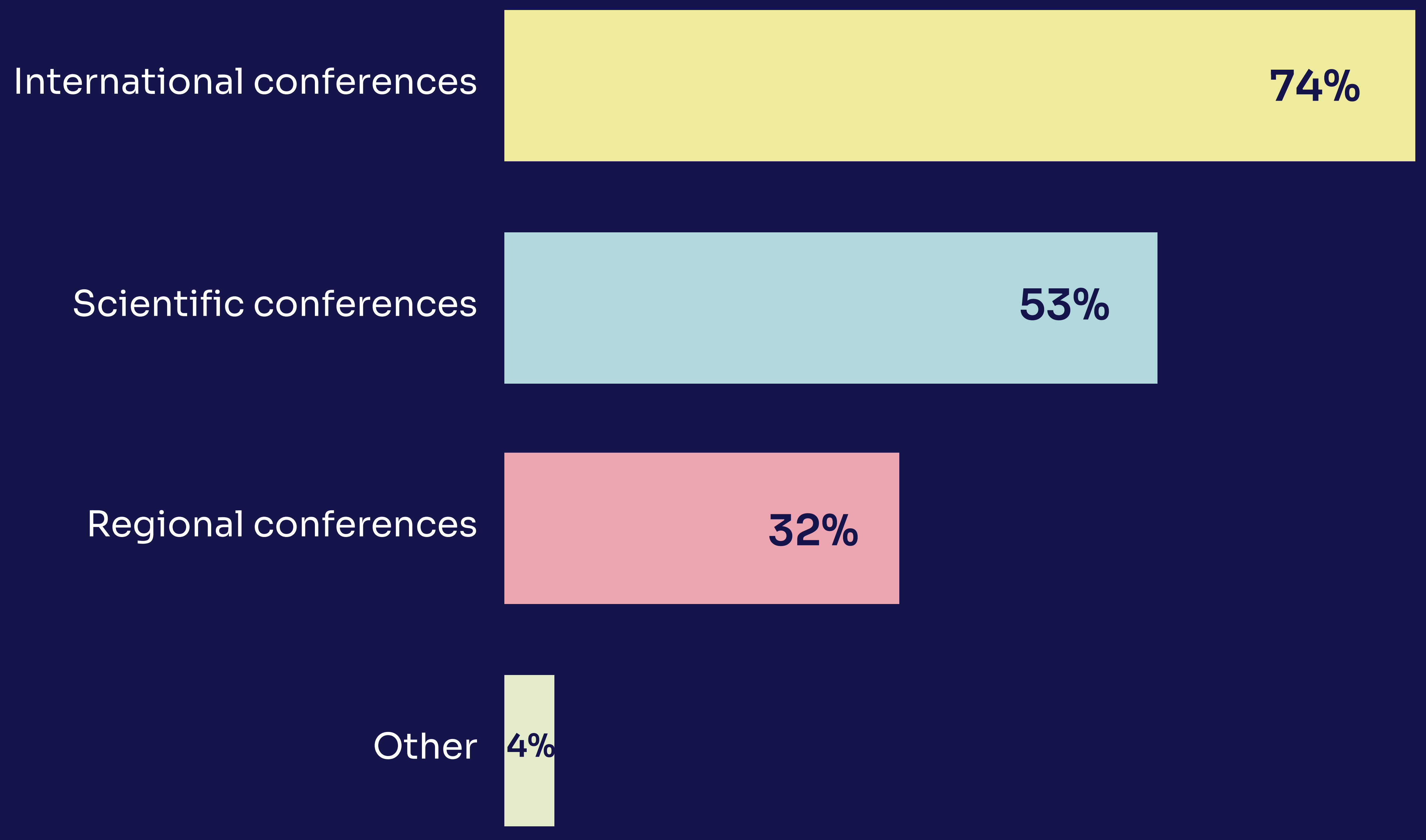


3. Partnering Conferences

Typical out-licensing strategies rely heavily on partnering conferences. Biotechs much prefer conferences (**81%**) over all other methods for meeting partners including company websites (**30%**) and relying on third party connections (**20%**).



International conferences proved far more popular than their regional competitors (**74% to 32%**, respectively), while scientific conferences fell in between (**53%**).



Results

The **three most popular partnering events** for out-licensors in 2023:

In the period before an event, out-licensors encounter pain points that impact their partnering efforts. The most common were having meeting requests accepted (**63%**) and potential partner profiles lacking key information (**47%**).

KEY DIFFICULTY PRE-CONFERENCE

Post-conference, biotechs reported that their key difficulties were communication stopping without explanation (**60%**), the volume of follow-up activity (**45%**) and a lack of time to meet with potential partners in the wake of the conference (**31%**).

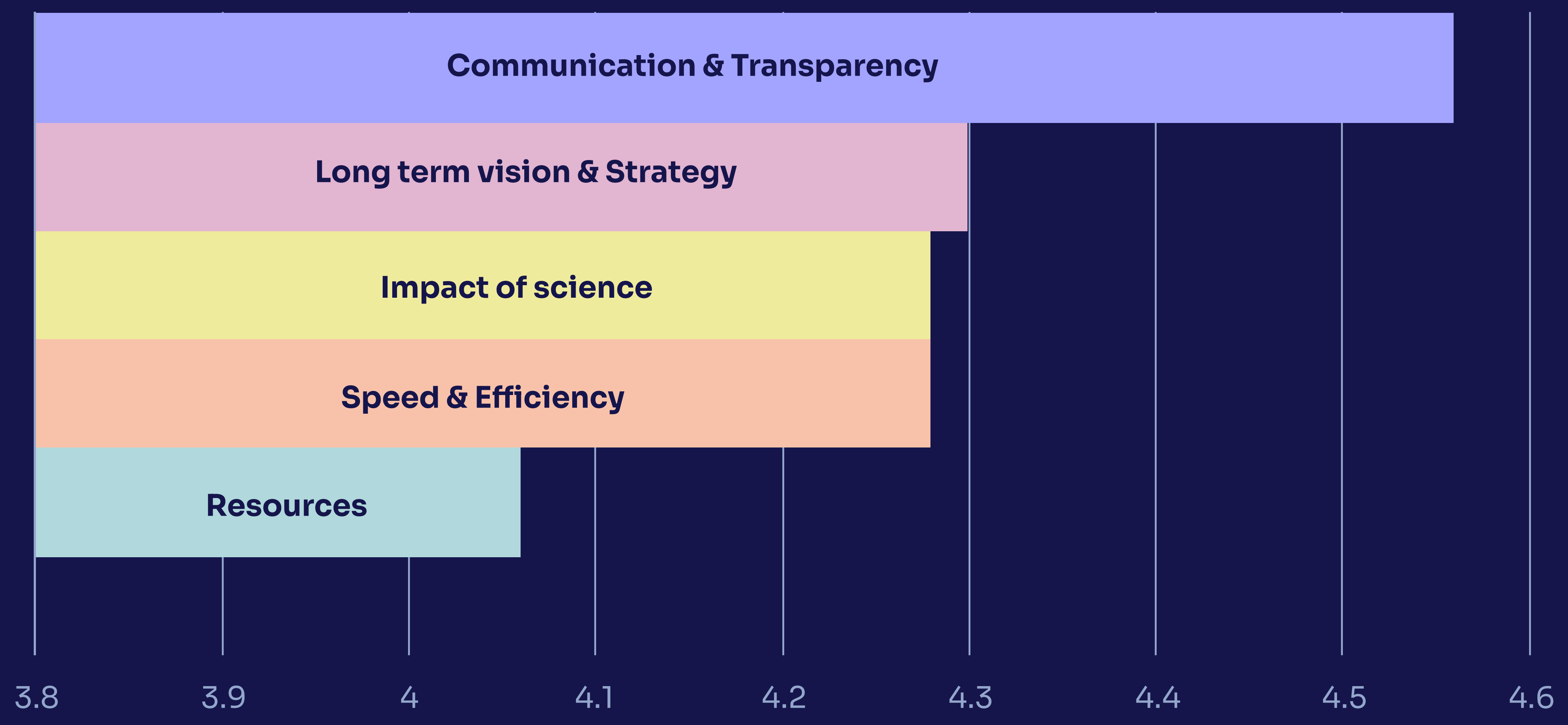
KEY DIFFICULTY POST-CONFERENCE

Other highlighted pain points around events from out-licensors:

- Big Pharma is “too general”, need for more information to better target requests
- Travel expenses
- Poor connections
- Quantity and quality of relevant companies
- Difficulty getting in touch and finding stakeholders after meeting
- Misaligned interests
- Responsiveness and quality of feedback

4. Expectations

Respondents were asked to rank, on a 5-point scale, the top five components of successful collaborations in terms of their importance to partnering: Communication & Transparency, Long-Term Vision & Strategy, Scientific Impact, Speed & Efficiency, and Resources.



Communication & Transparency was clearly the most important component of a successful partnership. Long-Term Vision & Strategy ranked second, with Scientific Impact and Speed & Efficiency equally third. Resources was the least important component of the five, reflecting similar results to the 2022 survey, where financial resources were ranked as among the least important components of a life science collaboration.

Some out-licensors mentioned certain top pharma companies as leaders for each component:

	1	2
Communication & Transparency	**Pfizer**	**J&J**
Long-Term Vision & Strategy	**Pfizer**	**Novartis**
Scientific Impact	**Novartis**	**Eli Lilly, J&J, Pfizer**
Speed & Efficiency	**Pfizer**	**Sanofi**
Resources	**Pfizer**	**J&J**

Respondents also highlighted other hopes and expectations for their top pharma and VC partners:

- Developing win-win programs
- Interest in streamlining platforms
- Cultural alignment and alliance management
- Early-stage support
- Geographic footprint
- Openness to artificial intelligence and data applications
- Transparency, trust, fairness, and action
- Mutual respect

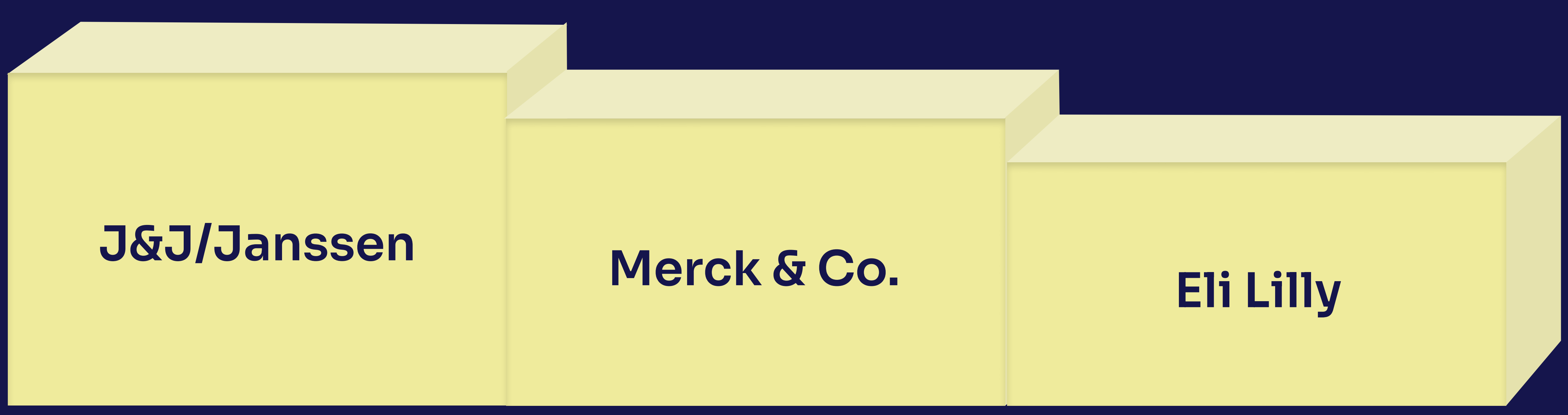
5. Overall Satisfaction and Rankings

Respondents were asked to rank their experience in partnering with top pharma companies to produce an overall ranking for top pharma companies by partnering experience. These overall rankings were then broken down into two sub-categories: a ranking for out-licensors with a pharma asset and a ranking for out-licensors with a platform or tech asset.

The overall mean score across all top pharma companies was 3.34/5 which represents a decrease in satisfaction of 6% compared to last year's mean of 3.57/5. The average number of participants that rated top pharma was 77.

Overall, **Johnson & Johnson/Janssen** were ranked first, **Merck & Co. second and Eli Lilly in third place.**

A. Top rated pharma in 2023



Average scoring: 3.68
Number of respondents: 87

Average scoring: 3.59
Number of respondents: 81

Average scoring: 3.50
Number of respondents: 82

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Connect

Our cutting-edge match making platform, Connect, serves as the backbone of a thriving network, uniting **over 6,500 industry professionals, academic organizations, biotechs, pharma companies and investors**.

Through Connect, we empower users to enhance their visibility, expedite partner discovery, and gain invaluable strategic insights.

Execute

Inpart's partnering CRM, Deal, is tailored specifically to meet the unique demands of the biopharma sector. Deal streamlines the collaboration and alliance management phases of biopharma partnerships, ensuring efficient and organized operations in executing biopharma deals.

Network

Inpart Event powers **more than 50,000 partnering meetings** annually at the world's most important biopharma partnering conferences, including the **BIO International Convention**.

Media

Finally, with subsidiary Labiotech, a preeminent digital media, we engage with **over 100,000 professionals in the life science sector** monthly, delivering the latest relevant information from the industry, to the industry.

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