

Assessing the Market Potential for a New Therapeutic

Jonathon Jafari

Part of the Allergan webinar series: *Planning for Research Success*

Jonathon Jafari (CDRD) delivered a webinar in Allergan's Planning for Research Success series on December 1, 2015, providing insight into the market assessment methods of the Centre for Drug Research and Development and tips on how to attract industry customers to a product. His key messages and a hyperlinked index to his presentation follow.

MARKET ASSESSMENT & ATTRACTING INDUSTRY

Carefully assess the potential market for a new product. Understand the unmet need in the disease that the potential therapy will treat. A drug developer might say, when discussing potential beneficiaries of a new therapy, that there are 30 million asthmatics, but the reality is not all those patients are going to be customers for any specific therapy. Understanding which patients would benefit is crucial, as is knowing the overall value of a new therapeutic, in the context of existing competition: Is it cheaper, safer, or more effective in specific patient populations? Do you have a biomarker for it?

Know your customers' needs, and do the key "killer" experiment. When CDRD approaches companies about antibiotics that we're working on, the companies tell us that we need to do target validation and relevant animal model experiments before coming to them. Understand what your biotechnology and pharmaceutical customers need in order to see your project as something that they might want to acquire or collaborate on. If yours is a truly novel target in a "hot" area such as immunotherapy, you may be able to negotiate a deal before true target validation. But where there is a well-defined pre-clinical pathway, customers will want you to pursue that pathway and demonstrate success.

Understand the value of your technology; don't sell yourself short. Being humble doesn't help to get traction with potential industry

customers, though neither does being over-confident and claiming that your drug will cure everything. Understand the mechanism and the competitive landscape. Articulate where your project fits and what its potential advantages are over competing therapies, currently available or in development. Validation from patient advocacy groups, granting agencies and key opinion leaders, including in industry, is also helpful.

Be prepared to switch industry customers. Large pharmaceutical companies change their minds and re-organize often, so you never know what's going to be attractive to them at any given time. CDRD has brought projects to companies very interested in a therapeutic area but by the time we delivered results, the head of the company had changed and they de-prioritized the area.

Bring your project to CDRD. If any Allergan researchers have anti-inflammatory or other unique drug development or mechanism-of-action projects, they should approach CDRD. We would do an initial valuation, both scientific and commercial, and if we liked things we would present the project for our funds. It is straight-forward and also non-dilutive for the investigator. In terms of our investment into the project, we'll do "wet lab due diligence," to repeat the investigators' data on our own dime, and we'll put time into the development plan. We support grant writing for investigators as well.

INDEX OF WEBINAR CONTENT

Jonathon Jafari's presentation described CDRD's approach to market assessment for a potential therapy, using asthma as an example. The discussion of the example will most interest researchers working in the area. More general points were made during the Q&A. An index for both, with hyperlinks to the corresponding slides and time-points of the webinar video recording, is given below.

PRESENTATION

- Assessing the commercial potential of a project/ product (overview)** [video](#), [slide](#)
- Assessing a potential product – example/case study: asthma** [video](#)
 - Asthma: unmet therapeutic needs [video](#), [slide](#)
 - Assessing the asthma market [video](#), [slide](#)
 - Breakdown of patient populations for available asthma therapies [video](#), [slide](#)
 - Xolair sales [video](#), [slide](#)
 - What payors want before they'll reimburse your asthma drug [video](#), [slide](#)
 - Pricing & reimbursement (inhalers) [video](#), [slide](#)
 - Asthma: potential targets [video](#), [slide](#)
 - Dividing patients into sub-groups based on molecular targets [video](#), [slide](#)
 - Medimmune – targeting severe asthma [video](#), [slide](#)
 - Roche: rationale for target (example) [video](#), [slide](#)
 - Project example: GTPases in Targeting Neutrophils [video](#), [slide](#)
 - Neutrophils & airway inflammation [video](#), [slide](#)
 - Assessing market potential of RAC inhibition strategy [video](#), [slide](#)
 - Role of neutrophils in inflammatory lung disorders [video](#), [slide](#)
 - Role of neutrophils in asthma [video](#), [slide](#)
 - Potential benefits of RAC inhibition [video](#), [slide](#)
 - Potential patient populations in major markets [video](#), [slide](#)
 - Deal-making in pulmonary inflammation [video](#), [slide](#)

Q&A

About CDRD:

- partner companies [video](#)
- forming spin-offs [video](#)
- funding model for spin-offs [video](#)
- support for investigators [video](#)
- programs for trainees [video](#)
- other services for academics and small companies [video](#)

About health science R&D in Canada:

- advice for trainees wishing to move from the lab into business development [video](#)
- the current biotech scene [video](#)
- support for research entrepreneurship..... [video](#)
- support for translational research.. [video](#)

Available for this webinar: [slideshow \(in PDF\)](#) | [video recording](#)

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