



## ***Trends in Outsourcing Small/Emerging Biotech***

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## Disclosures

**Best In Class**

**In-house**

**End to End**

*Under One Roof*

**One Stop Shop**

**Holistic**

*Extension of Your Team*

**Global Reach**

**Industry-Leader**

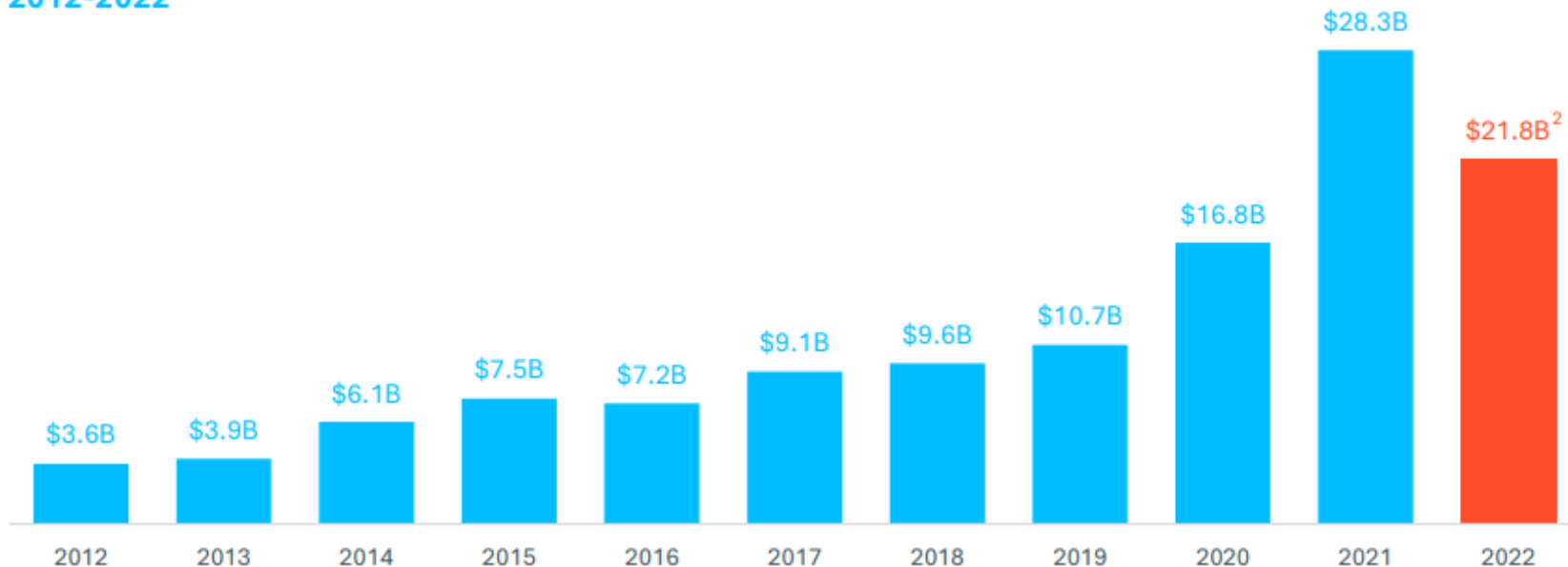
*Thought Leadership*

**Strategic**

# Investors continue to fundraise in downturn

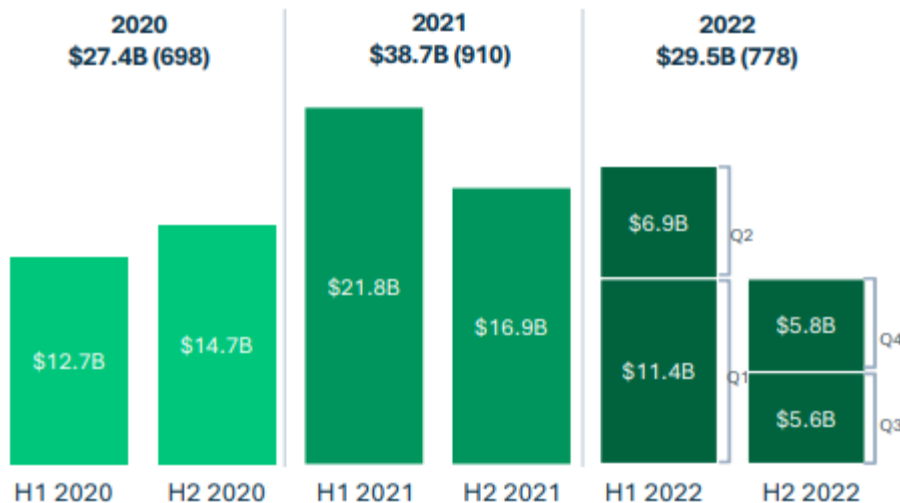
## US Healthcare Venture Capital Fundraising<sup>1</sup>

2012-2022



# Investments Fall in H2 As Crossover Activity Wanes

## Total Dollars and (Deals) US, EU & UK



## Dollars and Deals by Top Indications US, EU & UK



	2020		2021		2022	
Indications	Dollars	Deals	Dollars	Deals	Dollars	Deals
Platform	\$7.6B	148	\$12.2B	216	\$10.8B	176
Oncology	\$8.9B	208	\$11.3B	256	\$6.7B	196
Neurology	\$2.7B	89	\$4.5B	126	\$2.5B	93
Anti-Infective	\$1.2B	42	\$1.7B	56	\$1.3B	49
Autoimmune	\$747M	18	\$1.8B	34	\$1.5B	35
Ophthalmology	\$426M	20	\$965M	24	\$1.4B	35

# A definition for industry segments



## Biotech (& Small-Mid Pharma)

Top 3 needs:

1. Access to funding
2. Access to external/pharma partnerships
3. Access to consultative expertise



































## Large Pharma

Top 3 needs:

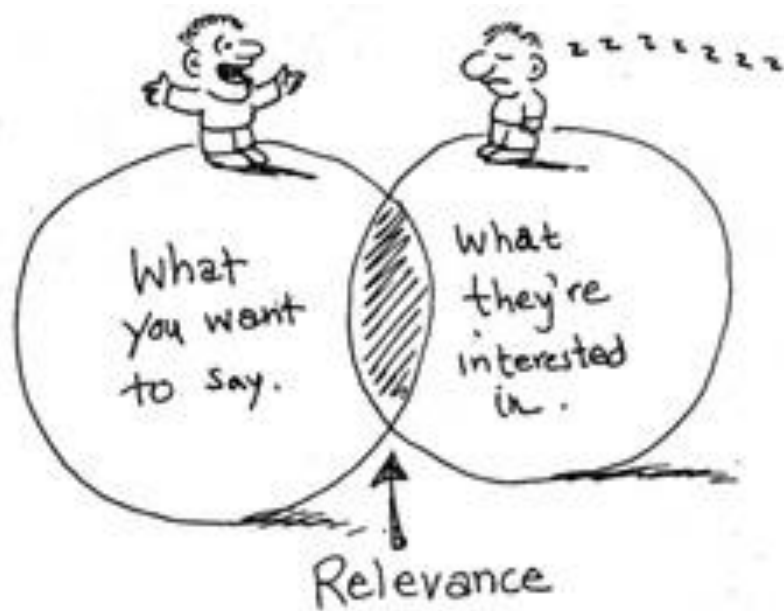
1. Directive approach to resources
2. High quality processes & oversight
3. Predictable budget spend

Segment	Characteristics	Annual R&D Spend	R&D Rank
Large	Well-established procurement groups & SOPs – Seeking Revenue growth via Commercial Sales, M&A	\$13.4B - \$700M	1-50
Midsized	Outsourcing group & SOPs – Seeking marketing approval, acquisition	\$700M – \$50M	50-200
Small	Seeking human POC, validation via external partnership(s), Additional funding/IPO	\$50M-\$10M	200-1000
Emerging	Pre-funding, fund-raising to get to clinic	<\$10M	1000-2000

# Notable trends in outsourcing

	Large Pharma		Small / Emerging Biotech	
Trend	2019-2021	Recent	2019-2021	Recent
Ratio of Outsourced : In-house				
Ratio of Full Service : FSP				
Volume of studies				
Overall ClinDev costs				
3 <sup>rd</sup> Party Vendors Involved				
New study award sizes				
Change Order volume				
CRO turnover				

*\*These are my observations and associated opinions, and are intended for discussion purposes only*



## So what?

- Good science is getting funded, and we all play a key role in documenting good science
- Company goals can impact individual behaviors
- Macroeconomic trends have impacted outsourcing trends, and will continue to do so
- Matching company goals to the current economic environment is a constant effort – and is bi-directional
- We each play a role in relevancy