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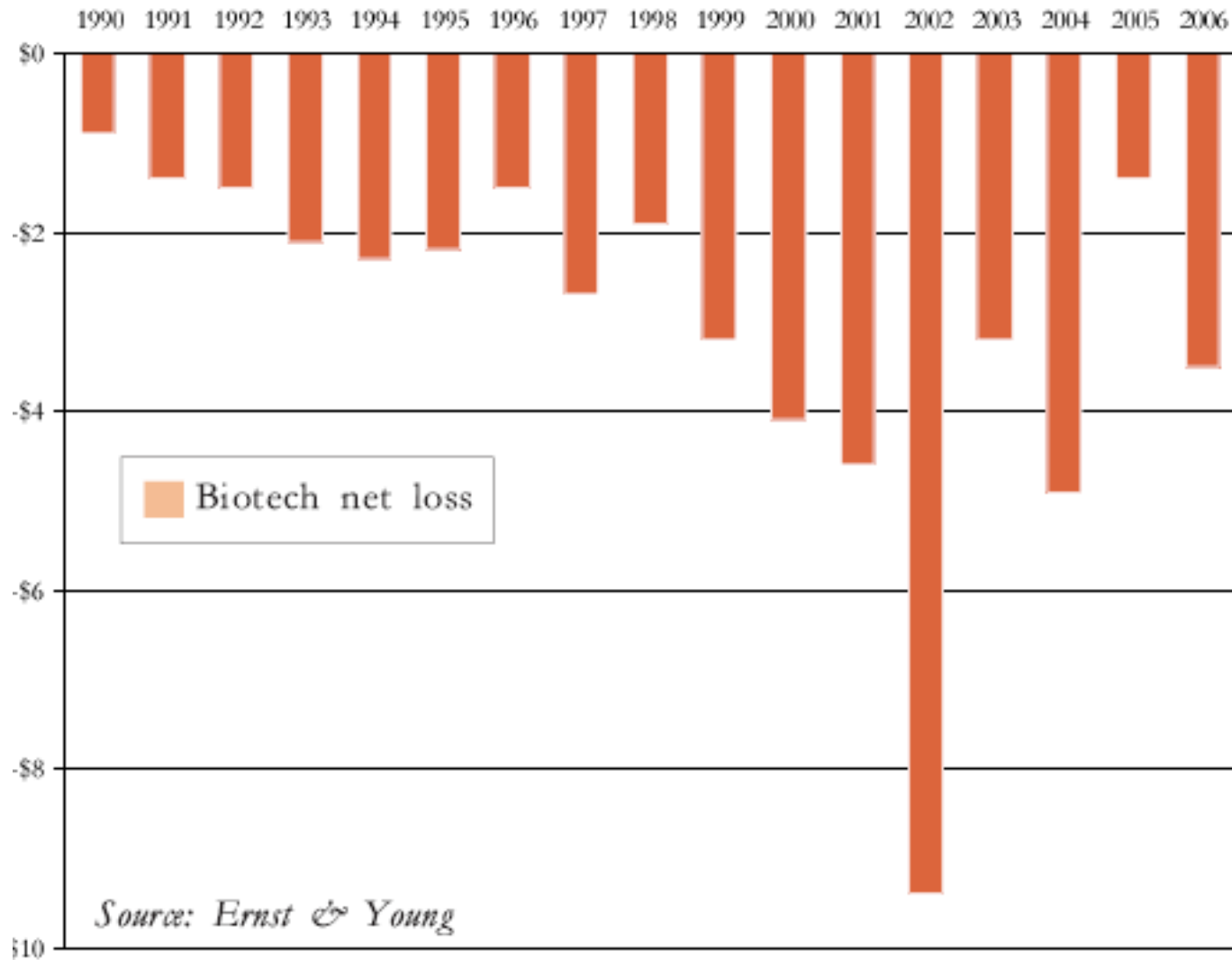
Life Science Commercialization: Best Practice Makes Perfect

November 19, 2007 – BioNorth

Audit . Tax . Consulting . Financial Advisory .

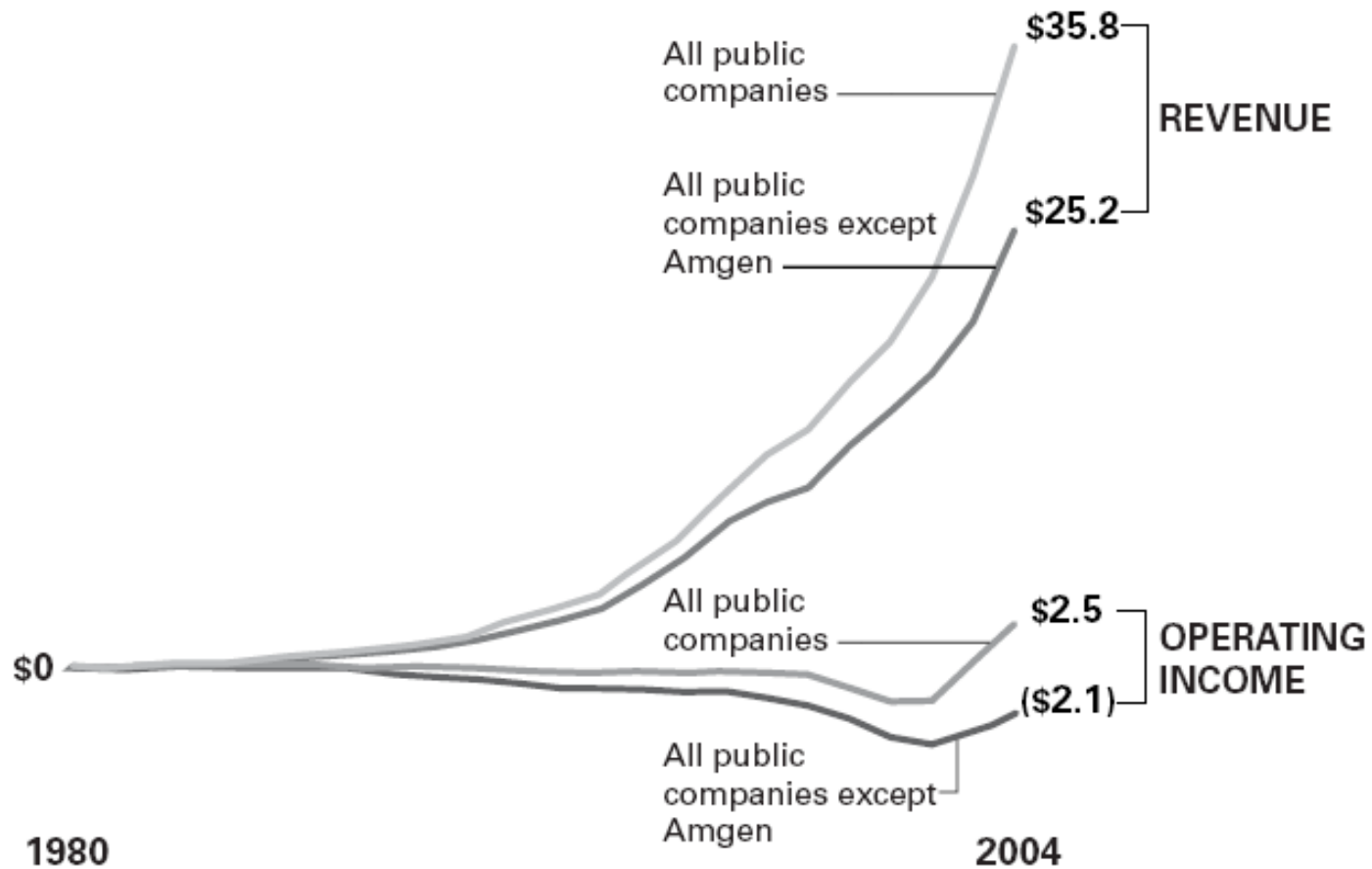


Not Profitable...



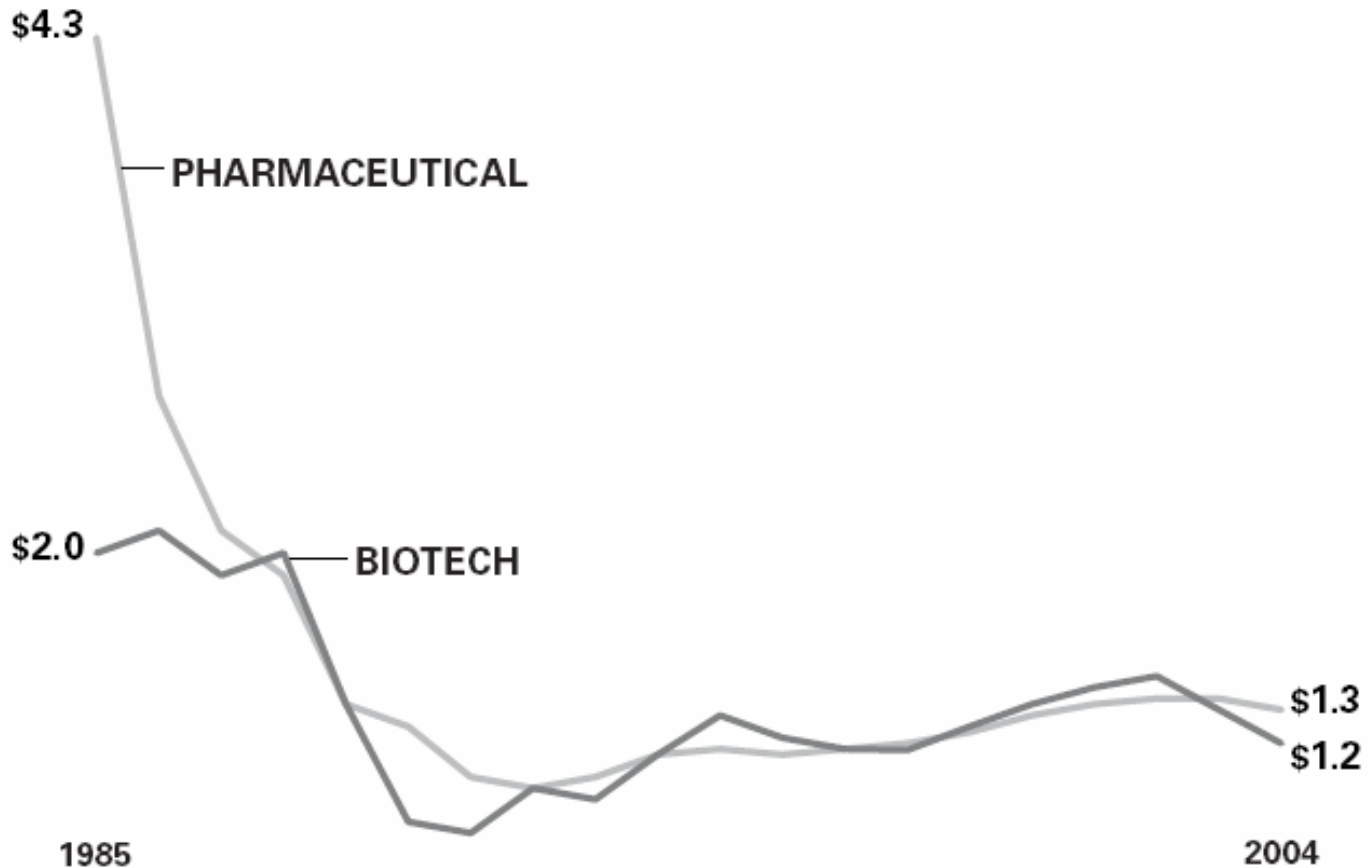
Still Not Profitable...

Revenue and operating income before depreciation (\$ billions 2004)



Not better than Big Pharma

R&D spending per new drug launched (\$ billions 2004)

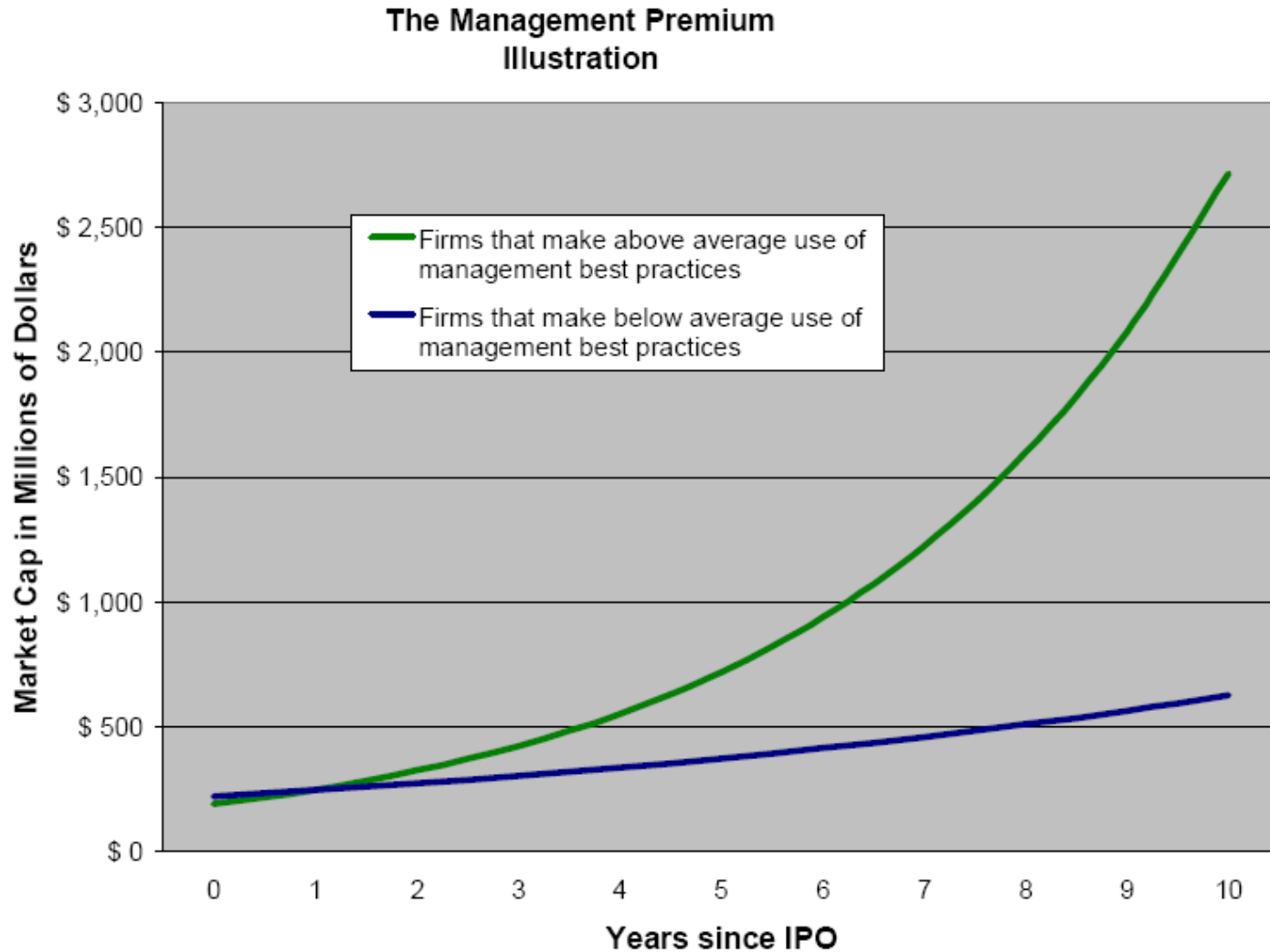


Science is Not Enough

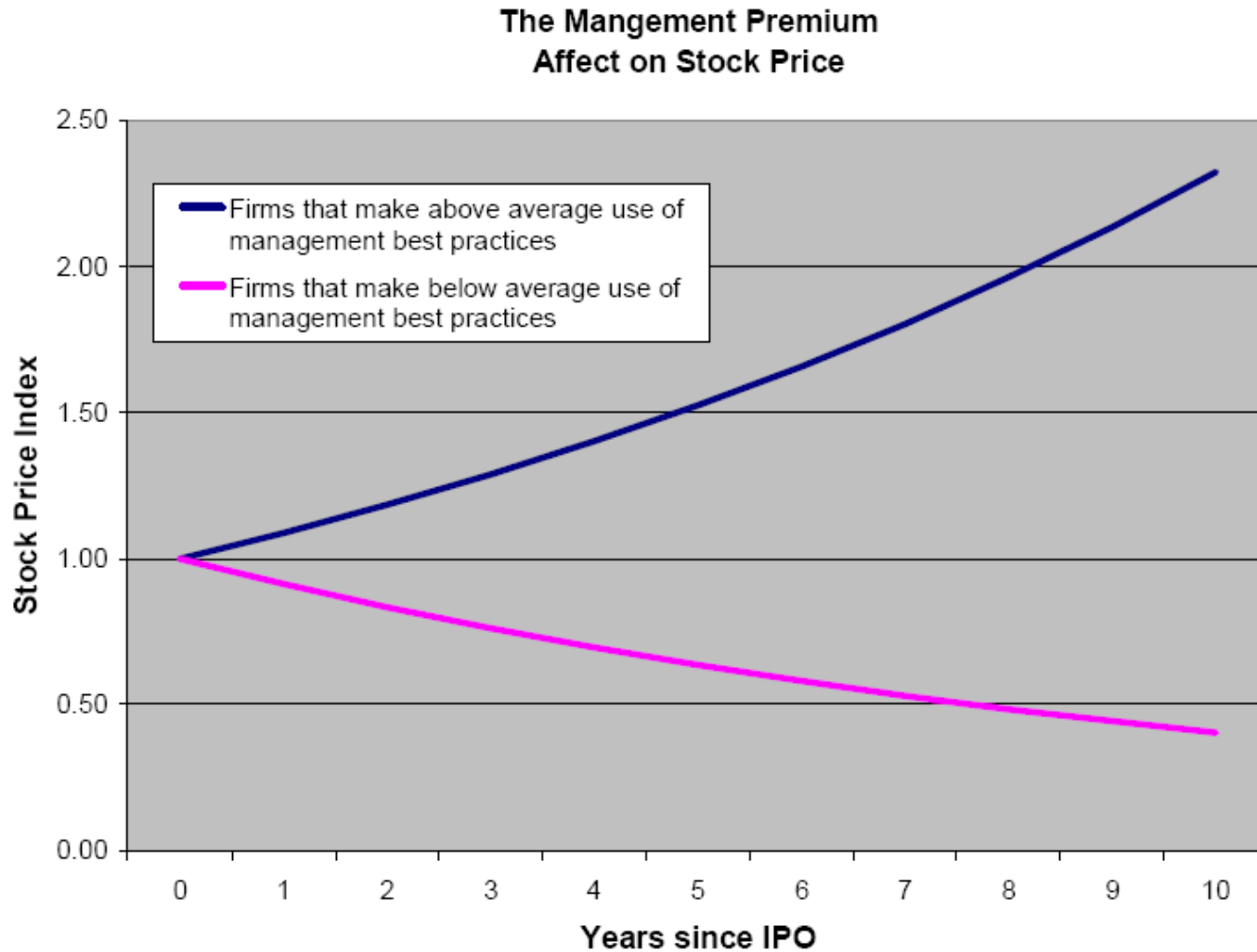
“This discussion assumes leadership in science and technology is not sufficient....one can argue that self-congratulation about innovation cannot be justified unless it extends to corporate management, governance, communications and public policy.”

BioCentury, 2007

The Value of Best Practices



The Value of Best Practices



Various Approaches

Quantitative Portfolio Management

Analysis using financial and statistical tools helps remove subjectivity from the new product planning process. Sophisticated systems allow companies evaluate multiple factors and to add considerations as they arise.

Company A

Informal collaboration across all product teams.
Ongoing review of needs.

Company B

Five-year forecast of P&L and Net Present Value.
Resources are allocated according to P&L.

Company C

Portfolio uses Monte Carlo analysis. Review drivers of risk for each product: pricing, share, market size.

Company D

Prioritization based on Net Present Value and decision tree analysis.

What techniques or tools do you employ to optimize your company's portfolio?



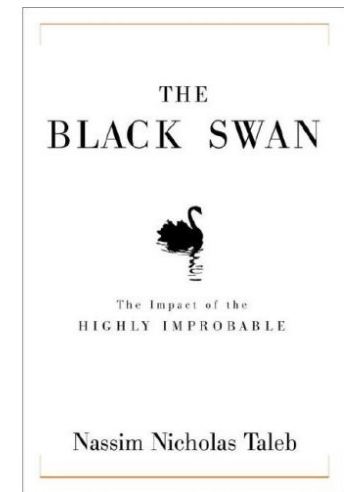
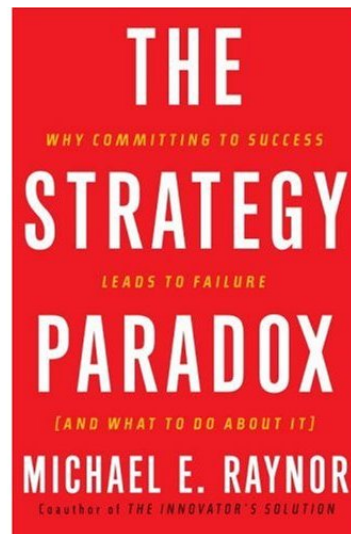
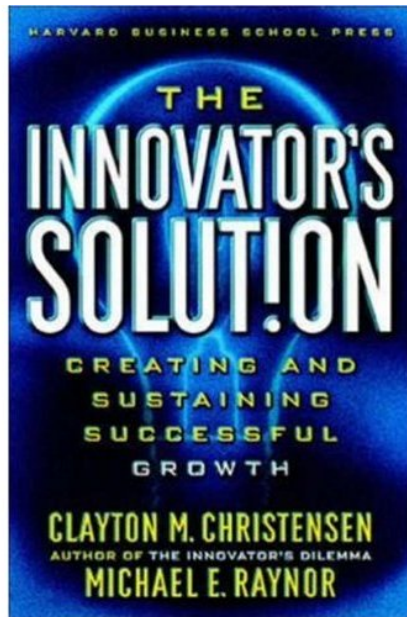
The Mattson Jack Group

Best Practices - Deloitte

- Top Tier Auditors
- FDA Regulatory Audit/GMP Audit
- Tax Advantaged Processes
- Cost Effective Financial Advisory
- Supply Chain Efficiency
- Sarbanes Oxley Compliance
- Human Capital

Strategic Best Practices

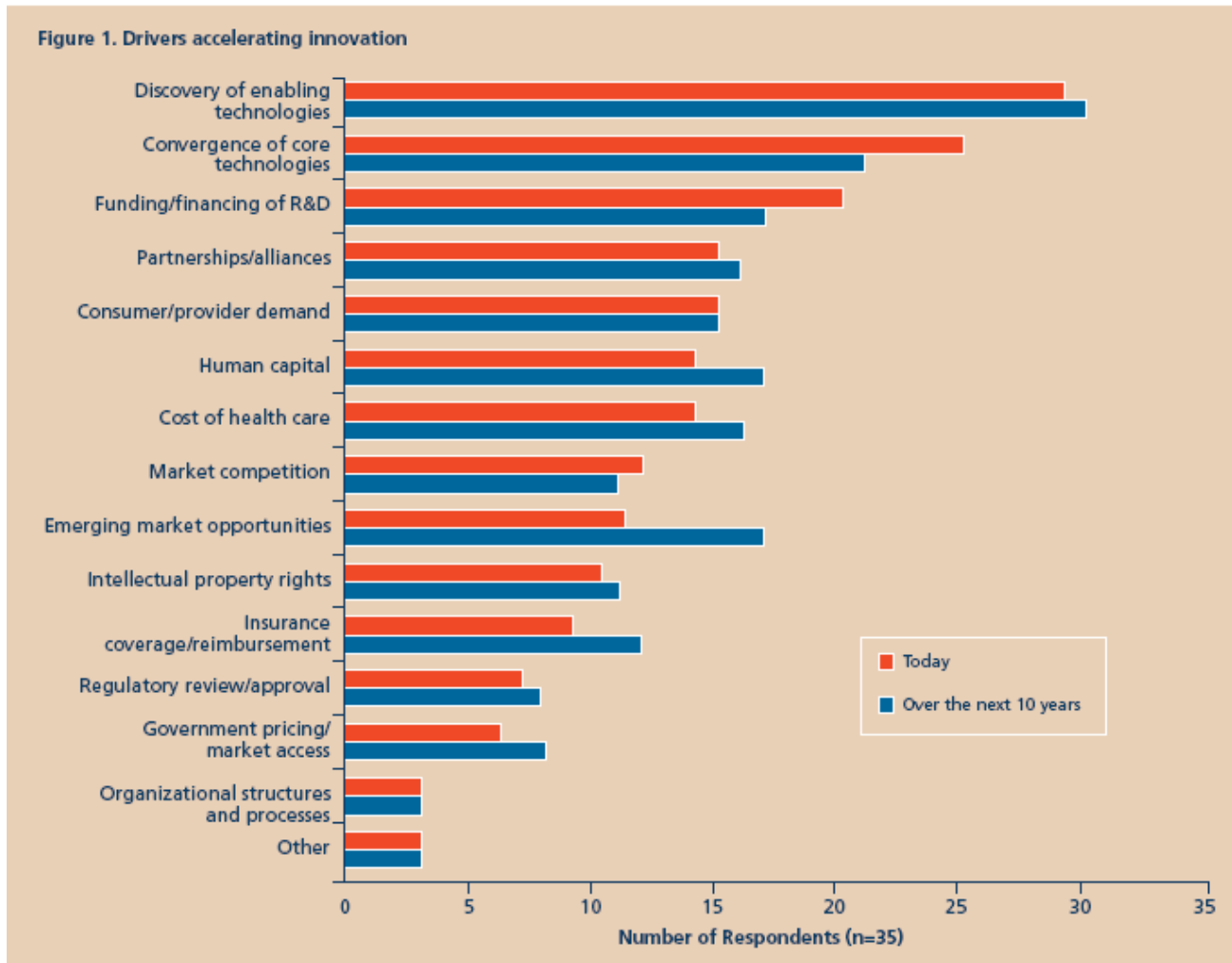
- Innovation
- Disruption
- Portfolio Management



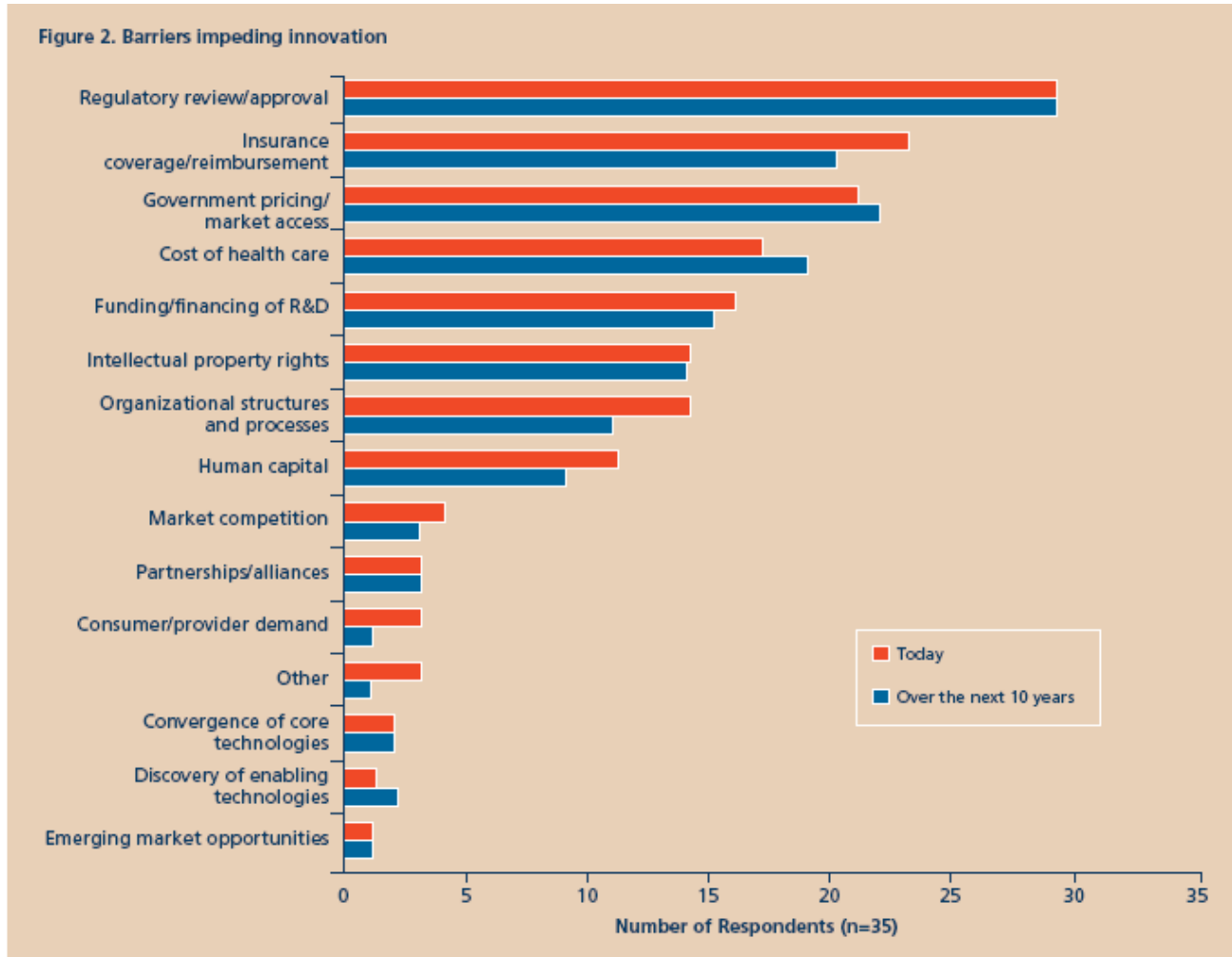
Other Topics

- Triple Helix
- Clusters
- Critical Mass in Canada
- Insource/Outsource
- Venture Capital
- Public Markets

Key Drivers



Key Barriers



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Deloitte.

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