

The 12th Annual BioExec Institute Retreat

Wednesday, 30th - Saturday, 2nd April 2016, The Breakers, Palm Beach, FL

INTRODUCTION & SETTING THE STAGE

Welcome to the 12th Annual BioExec Institute Retreat in Palm Beach. This year once again more than 70 distinguished speakers, panelists and participants will gather to debate major industry topics while connecting at a personal level and having time for deal-making and social activities together. We continue to believe in the value of small high-level industry events like this, where we always meet old friends and business partners, as well as welcome new entrants.

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We are very much looking forward to group discussions on several subjects that have risen to prominence in recent months and will in many different ways exert major influence on the trajectory our industry is going to take in 2016 and beyond.

In the US, it is of course a Presidential election year, and the position and reputation of the pharmaceutical industry will again be heavily influenced by policy makers and election headlines. With all the debates going on, and all the innovation that is becoming more visible and attracting more and more capital, one cannot negate a feeling that the pharmaceutical industry is headed towards seismic changes at an international level. Changes that are influenced by US politics, the rise of health IT and digital health, big data, new business models for healthcare delivery and the integration of delivery with pharmaceutical and medical device businesses.

While the Obama administration is focusing on key health topics such as the implementation of healthcare reform, precision medicine and a new attempt to step up the fight against bacterial disease and cancer, it can be expected that the Presidential race will result in more populist headlines. This year's headlines and major topics of our retreat are very much focused on the challenges in the pharmaceutical industry, but also the innovative approaches to our business and its reflection in the capital markets. We have singled out several topics that we feel are worthy of a broader debate this year:

- The pricing of pharmaceutical drugs, sustainability, business models, the threat from biosimilars, political pressures, and the influence of business models that are seen as "exploitative" on general pharma pricing in the US and elsewhere.
- The innovation of the pharmaceutical business model, spearheaded by orphan disease companies, who lead the way towards a more "integrated" and "interactive" model of drug development, marketing and sales, including more outcome based pricing models. But will these developments make healthcare more affordable, or more efficient?
- Equally important in terms of its long-term impact, what role will Health IT or Digital Health play in the perfect storm in the healthcare industry that we see coming on the horizon? Will it drive outcomes, and make people more aware of their health and take more responsibility? Is health consumerism really around the corner?
- Another topic that is somehow connected to all of the above and leads us into the functioning of the pharmaceutical ecosystem and a review of the new and innovative ways that Big Pharma engages with the other players in the value chain: academia, biotech, venture capital, capital markets.
- A fifth major area of reflection and debate will be the end of the three year bull run in biotech in the capital markets, and what it all means this time round: what has caused this longest of all bull markets in the sector, what has likely brought it to an end, and what does it all mean for the pharmaceutical industry, R&D, M&A activity and the possibility of IPOs in 2016 and beyond?

The 12th Annual BioExec Institute Retreat AGENDA

Lead Sponsors:



Co-Sponsors:



Supporting Organization:



Wednesday, 30 March 2016

19.00 – 22.00 **The Welcome Cocktail Reception** (The Mediterranean Courtyard)

Thursday, 31 March 2016

08.00 – 09.00 **Registration & Group Breakfast** (The Seafood Bar)

Group Discussion Sessions (Magnolia Room)

09.00 – 09.05 **WELCOME:** Hoda Abou-Jamra, CEO, The BioExec Institute

THE FUTURE OF PHARMA PRICING IN THE US

09.05 – 09.20
(15 mins) **Keynote**
 ➤ James Greenwood, President & CEO, Biotechnology Innovation Organization

09.20 – 10.10
(50 mins) **Interactive Panel:**

- *Drug prices have taken center stage in the US Presidential debates with both parties vowing to “do something about this”. What to expect?*
- *Is it fair to expect a curbing in of exorbitant pricing of previously cheap generic drugs (examples: Turing, Valeant)?*
- *How can the industry sell sky high pricing of new innovative drugs that actually save lives or add significant value (examples: Gilead, AbbVie)?*
- *What is “value-based pricing” really? Can value be measured and will it happen in the short run?*

Panellists A-Z by surname:
Chair: Doug Giordano, SVP, Worldwide Business Development, Pfizer

- Johnston Erwin, VP, Corporate Business Development, Eli Lilly & Company
- James Greenwood, President & CEO, Biotechnology Innovation Organization
- Ivana Magovcevic-Liebisch, SVP & Head of Global Business Development, Teva Pharmaceutical Industries
- Stelios Papadopoulos, Chairman, Biogen

INNOVATION I: NEW MODELS OF PHARMA ENGAGEMENT WITH BIOTECH AND OTHER PLAYERS IN THE VALUE CHAIN

10.10 – 10.20
(10 mins) **Panel Foreword:**
 ➤ Meeta Chatterjee, Head, Business Strategy and Operations, Business Development and Licensing, Merck Research Laboratories

10.20 – 11.10
(50 mins) **Interactive Panel:**

- *How does pharma secure their product pipelines these days? What are the new models?*
- *What is the most effective model today in the financing of nascent innovation?*
- *Are incubators, accelerators, disease foundations, the new VCs - with or without partnerships with pharma?*
- *Is there still a role to play for “traditional” VC?*
- *Will pharma have to secure the survival of VC in 2016/17?*

	<p><u>Panellists A-Z by surname:</u> Chair: Meeta Chatterjee, Head, Business Strategy and Operations, Business Development and Licensing, Merck Research Laboratories</p> <ul style="list-style-type: none"> ➤ Hubert Birner, Managing Partner, TVM Capital Life Science ➤ John Brooks III, President & CEO, Arete Worldwide (former CEO of Joslin Diabetes Center, Boston) ➤ Paul Sekhri, President & CEO, Lycera Corporation ➤ Armen Shanafelt, General Partner, Lilly Ventures
INNOVATION II: DIGITAL HEALTH AND WHETHER SOFTWARE WILL EAT BIOTECH	
11.10 – 11.20 (10 mins)	<p>Panel Foreword:</p> <ul style="list-style-type: none"> ➤ Jens Eckstein, President, SR One, Limited
11.20 – 12.10 (50 mins)	<p>Interactive Panel:</p> <ul style="list-style-type: none"> • Will healthcare IT and digital health drive outcomes? • How can the pharmaceutical industry benefit from digital health? • Will Big Data truly enhance our ability to develop innovative medicines? • How can the pharmaceutical industry take advantage of this trend? <p><u>Panellists A-Z by surname:</u></p> <ul style="list-style-type: none"> ➤ Chair: Jens Eckstein, President, SR One, Limited ➤ Vimal Mehta, CEO & Chairman, BioXcel Corporation ➤ Francois Valencony, General Manager Mérieux Développement, President MxD North America
12.10 – 12.30 (20 mins)	Coffee Break
12.30 – 12.55 (25 mins)	<p>OPEN ROUNDTABLE DISCUSSIONS</p> <p>These roundtable sessions are an informal and interactive way to discuss industry issues. Each table holds approx. 11 persons and is facilitated by a Moderator, enabling all attendees to provide feedback and input. The discussions take place simultaneously for 25 minutes and the Moderators then give a 5 minute synopsis on their table's discussion for the benefit of the other tables.</p>
	<p><i>Topics for these open roundtable sessions follow on from the Interactive Panel Discussions:</i></p> <p>TABLE 1: Should biotech and pharma throw in the towel and concede to a future of permanently reduced margins? <i>Moderator: Stephen Knight, President & Managing Partner, F-Prime Capital</i></p> <p>TABLE 2: How can the argument over drug prices be focused on value rather than “price”? <i>Moderator: Michael Grissinger, VP, Corporate Development, Johnson & Johnson</i></p> <p>TABLE 3: How can the industry win the public's hearts and minds on pricing and the role of innovation? <i>Moderator: James Greenwood, President & CEO, Biotechnology Innovation Organization</i></p> <p>TABLE 4: How to manage the pharma enterprise going forward – for growth or income investors? It's hard to satisfy both mandates, it will be harder still in a reduced margin world. <i>Moderator: Peter Reikes, Vice Chairman, Stifel</i></p> <p>TABLE 5: Do pharma companies have to be integrated “healthcare companies? Or is this all exaggerated? <i>Moderator: Fred Frank, Chairman, Evolution Life Science Partners</i></p> <p>TABLE 6: When is digital health going to be a reality in everyone's life, and insurance contract? <i>Moderator: Vimal Mehta, CEO & Chairman, BioXcel Corporation</i></p> <p>TABLE 7: What happens to US pharma if Medicare is allowed to negotiate drug prices? A Prediction. <i>Moderator: Ross Hammerman, Managing Director, UBS Global Healthcare Investment Banking Group</i></p>
12.55 – 13.30 (35 mins)	<p>OPEN ROUND TABLE SUMMARIES</p> <p>Each of the Moderators will provide a brief 5 minute summary of what their table discussed.</p>
13.30 – 14.30	Lunch (Ocean Lawn)
15.00 – 17.00 (2 hours)	<p>Group Activities</p> <p>A private area has been set up for Retreat guests on The Breakers Front Lawn for a special Croquet Tournament. Dress code is to wear white.</p>
19.00 – 23.00 (4 hours)	<p>Cocktail & Dinner Reception</p> <p>All guests to rendezvous in the hotel foyer at 18.35pm for a transfer to Rybovich Marina for an evening dinner cruise aboard The Biscayne Lady. Return transfers at 22.30, 22.45 and 23.00. Dress code is smart i.e. suit & tie for gentlemen/ ladies equivalent.</p>

Friday, 1 April 2016	
08.00 – 09.00	Group Breakfast (The Seafood Bar)
Group Discussion Sessions	
INNOVATION III: THE BIOTECH ORPHAN DISEASE ENGAGEMENT MODEL	
09.00 – 09.10 (10 mins)	Panel Foreword ➤ Charles-André Brouwers, Senior Partner & Managing Director, The Boston Consulting Group
09.10 – 10.00 (50 mins)	Interactive Panel: <ul style="list-style-type: none"> • Are orphan disease companies leading the way towards a more “integrated” and “interactive” model of drug development, marketing and sales? • Is the trend towards more outcome-based pricing models sustainable and more widely applicable? • Will these developments make healthcare more affordable, more efficient, or both? • Are these new business models applicable to the large indications? <u>Panellists A-Z by surname:</u> Chair: Charles-André Brouwers, Senior Partner & Managing Director, The Boston Consulting Group ➤ Luca Benatti, CEO & Board Member, EryDel ➤ Philippe Lopes-Fernandes, SVP, Global Licensing & Business Development, Merck KGaA, Darmstadt ➤ John Varian, CEO, Xoma
10.00 – 10.15	Coffee Break
CAPITAL MARKETS AFTER THE BULL RUN: RAISING CAPITAL IN TIMES OF POLITICAL AND ECONOMIC UNCERTAINTY	
10.15 – 10.25 (10 mins)	Panel Foreword: ➤ David Schechner, Managing Director, Robert W. Baird & Co
10.25 – 11.00 (50 mins)	Interactive Panel: <ul style="list-style-type: none"> • From Wall Street’s point of view, have industry and market fundamentals in biotech and pharma changed? • What financing innovations and “alternatives” may be coming in the wake of general market weakness? • How are biotech valuations currently perceived by investors and buyers? Have we reached the bottom? • What are the predictions for 2016 in terms of number of IPOs, follow-ons, private financings, etc.? <u>Panellists A-Z by surname:</u> Chair: Dr. Helmut M Schuehler, CEO, TVM Capital Healthcare Partners & Chairman, TVM Capital Group ➤ Marina Bozilenko, Managing Director, William Blair ➤ Matthew Perry, President & Portfolio Manager, BVF Partners ➤ David Schechner, Managing Director, Robert W. Baird & Co
11.00 – 11.30	Coffee Break
11.30 – 11.55 (25 mins)	OPEN ROUNDTABLE DISCUSSIONS These roundtable sessions are an informal and interactive way to discuss industry issues. Each table holds approx. 11 persons and is facilitated by a Moderator, enabling all attendees to provide feedback and input. The discussions take place simultaneously for 25 minutes and the Moderators then give a 5 minute synopsis on their table’s discussion for the benefit of the other tables.
	<i>Topics for these open roundtable sessions follow on from the Interactive Panel Discussions:</i> TABLE 1: Are the new pharma engagement models with science and VC working in the real world? Moderator: Dennis Purcell, Founder & Senior Advisor, Aisling Capital TABLE 2: Will the breakout biotech IPOs in 2016 look like the IPOs of prior years? Have we banished the term “crossover investor” from our lexicon? Where will biotech investors come from? Moderator: Annette Grimaldi, Managing Director, BMO Capital Markets TABLE 3: Are there enough big ideas for a re-emergence of biotech in the short run? Will the great innovations, like CAR-T, RNAi therapies immuno-oncology provide enough stimulus? Moderator: Art Pappas, Managing Partner, Pappas Ventures TABLE 4: How much are the government initiatives in precision medicine, bacterial disease and cancer helping in the real world? How important can the government be in our industry? Moderator: Jean-Pierre Sommadossi, Chairman & CEO, Atea Pharmaceuticals TABLE 5: Is the virtual asset development model a success? Can we already tell? Moderator: Kevin Johnson, Partner, Medicxi Ventures TABLE 6: Are VCs who create their own companies going to set the stage for top class VC in the future? Moderator: David Berry, General Partner, Flagship Ventures TABLE 7: Is the pharma – VC continuum working right now? Is everyone benefitting from the investments of pharma into VC and the VCs into new science?
11.55 – 12.30	OPEN ROUND TABLE SUMMARIES

(35 mins)	Each of the Moderators will provide a brief 5 minute summary of what their table discussed.
12.30 – 13.30 (1 hour)	Lunch
14.00 – 17.00 (3 hours)	Group Activities Option 1 – Golf on The Breakers Ocean Course: Please be in the hotel foyer by <u>13.30</u> promptly for a transfer. Option 2 – On the Beach: Bungalows 22-25 have been set up for Retreat guests near the beach area with access to beach sport activities and a chair masseuse.
19.00 – 22.30 (3.5 hours)	Informal Evening Reception (Beach Club, The Breakers)
Saturday, 2 April 2016	
10.00 - 11.00 (1 hour)	Breakfast (Ocean Lawn)