



International Business Development
Strategy and Implementation

CASE STUDY

BIOTECH PRODUCT LICENSING

Creative financing for product development for an early stage biotech company

Background

- Development stage therapeutic company had an attractive candidate pharmaceutical product that they desired to license to a larger pharmaceutical company.

Challenges

- The company's candidate product wasn't in a large enough market to appeal to the typical pharmaceutical company or venture capital investor.
- The candidate product was in an early stage of development – and thus required more remaining resources and capital than many mid-sized companies would have access to.

TCG Approach

- Conduct research to determine where an approved product would fit in the existing treatment paradigm and how the approved product would be marketed.
- Determine the remaining clinical and product development plans and cost.
- Identify pharmaceutical companies with a pipeline of products in the same therapeutic area or those companies that were calling on the prescribers of these products.
- Narrow the list to those companies that had the resources to partner and then prioritize.
- Contact the top 100 companies to “sell” the potential, qualify their interests, and in the process develop the highest potential partners.

Results

- TCG identified a pharmaceutical partner with interest. A licensing deal was completed that included up front and milestone payments.
- The product was ultimately approved by the FDA, after a successful co-development program between the two companies.
- The connection to the pharmaceutical partner led to a broader relationship with a much larger pharmaceutical company.

Value to Client

- The client's pharmaceutical partner was acquired by a larger pharmaceutical company, who then acquired TCG's client, providing a 7x – 10x return to the angel investors.

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