

Best-in-Class Pharma Strategy Crafting

Data

Concepts

Methods

Tools

**Smart Pharma Consulting
Expertise**

March 2018



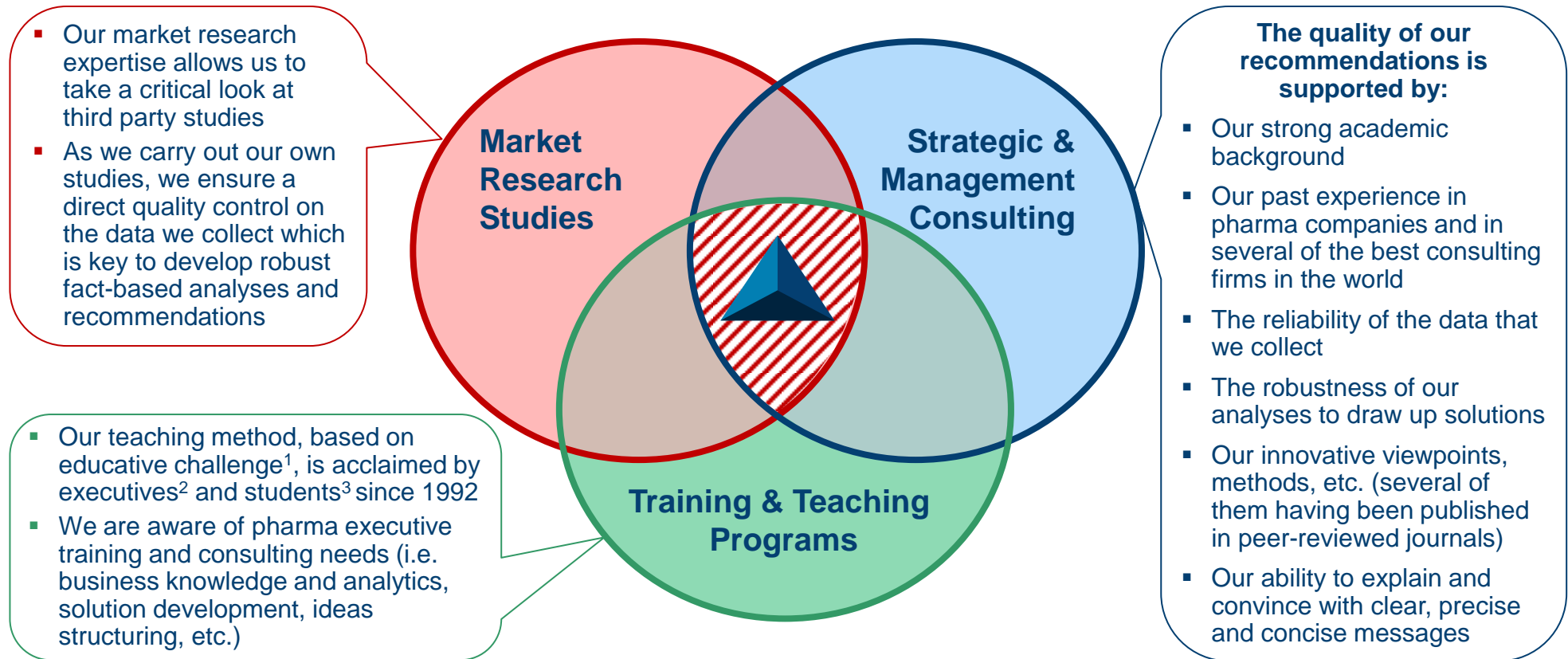
***Smart Pharma
Consulting***

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The synergies created by our triple expertise enable us to carry out unique and high quality Market Research Studies to raise market insights and make better decisions

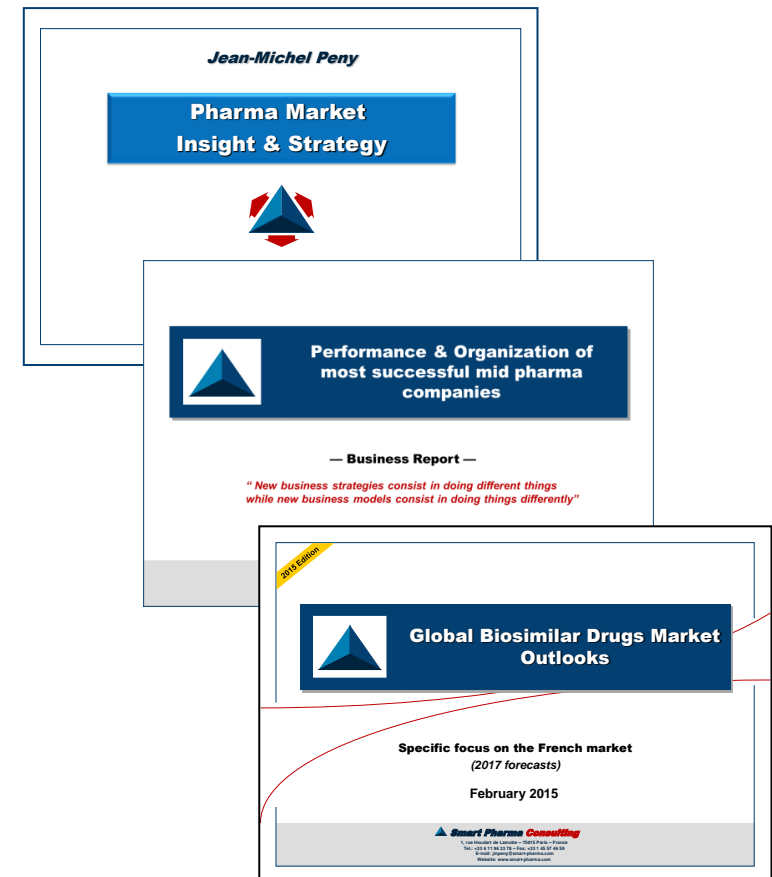
Smart Pharma Consulting unique positioning



Smart Pharma Consulting is officially registered as a training organization by the French government since 2002

Smart Pharma Consulting publishes regularly well-documented reports, including thoughtful analyses to help pharma companies make fact-based strategic decisions

Selected market studies relative to corporate strategy



Source: Smart Pharma Consulting

Strategy sets long term direction and scope of a company to achieve a competitive advantage through proper capability building and resources allocation

Strategy definition

- Strategy is a **consistent, unifying** and **integrative assembly** of decisions defined to **achieve** the **ambition** and the corresponding **objectives set** by a company, in the **most effective, efficient** and **less risky manner**
- It attempts to achieve the **long-term sustainable advantages** the company can maintain in its businesses, by responding to the present and future **opportunities** and **threats** in the market segments it covers, through the optimal management of its **strengths** and **weaknesses**
- It is concerned with the definition of **optimal capabilities** and **resources** configuration to **take advantage**, better than competition, of the **evolving customers needs** and **wants**
- It **covers** the **responsibilities** and **actions** required from **all hierarchical levels** (corporate, business, operational) in the firm
- It **defines** the nature of the **economic** and **non-economic contributions** the company intends to make to its stakeholders

“A successful strategy meets or, better, exceeds customers, employees and shareholders expectations to raise their respective preference for the company, its products and associated services”

Corporate strategy selects the strategic segments, business strategy creates a competitive advantage and operational strategy defines the appropriate organization

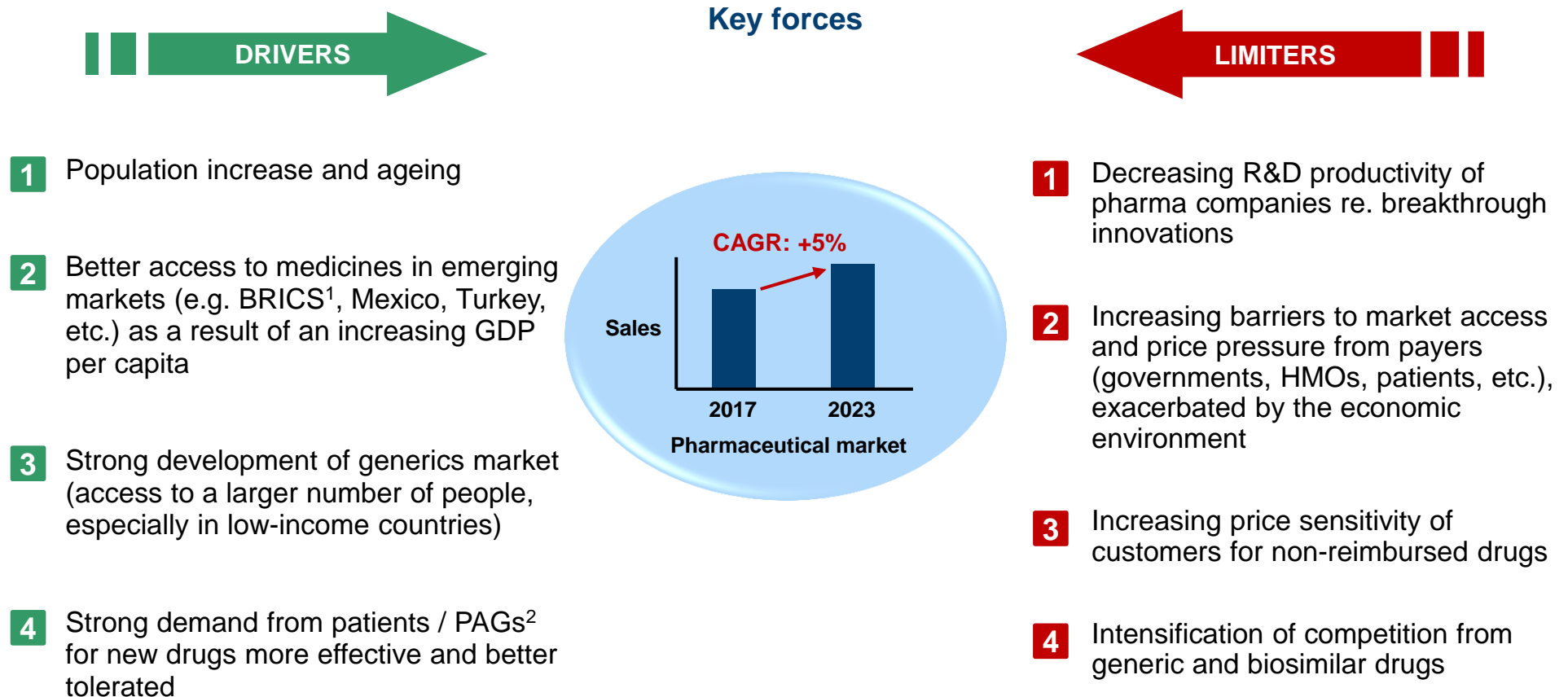
Multi-level Strategies



- **Corporate strategy** defines the purpose and the scope in which a company competes or should compete and how value will be added to its different businesses
- **Business** or **competitive strategy** is concerned with how to compete successfully within particular strategic segments (e.g. original brands, generics, OTCs, medical device, etc.)
- **Strategic segments** correspond to companies within an industry which are subject to the same critical success factors which are addressed by a given business unit of the company
- **Operational strategy** determines the activities, capabilities, processes, structure¹, culture and resources needed to effectively support the corporate- and business-level strategies

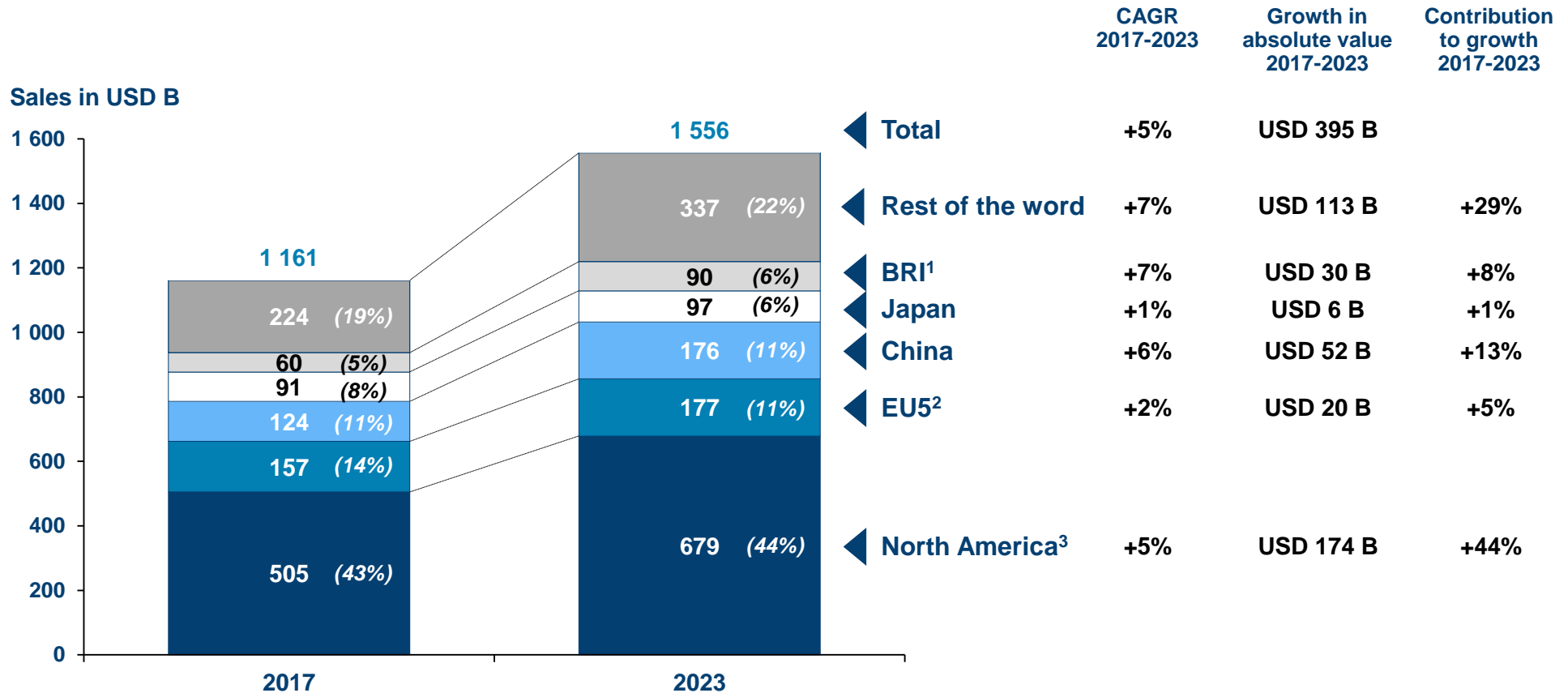
The key drivers and limiters of the global pharmaceutical market by the end of 2023, as well as their probable impact on sales trends, are well identified

Global pharmaceutical market drivers and limiters (2017 – 2023)



Sales of EU5 should grow slowly by 2023 due to stringent cost containment measures leading to a three-point decrease of their weight in the global pharmaceutical market

Global pharmaceutical market size and growth (2017 – 2023)



Sources: Outlook for Global Medicines through 2021, Quintiles IMS (December 2016) – Smart Pharma Consulting estimates

¹ Brazil, Russia, India – ² France, Germany, Italy, Spain, UK – ³ USA and Canada

By 2023, the French Pharma market is expected to step back from the 5th to the 6th place at the global level and to keep its 2nd position after Germany in Europe

Global pharmaceutical market ranking in value¹ (2012 – 2017 – 2023)

Rank	2012	2017	2023	CAGR 2017-2023
1	USA	USA	USA	++
2	China	China	China	+++
3	Japan	Japan	Japan	+
4	Germany	Germany	Germany	++
5	France	France	Brazil	++++
6	Italy	Brazil	France	+
7	Brazil	Italy	Italy	+
8	UK	UK	UK	+
9	Spain	Spain	India	++++
10	Canada	Canada	Spain	+
11	India	India	Canada	++
12	South Korea	Russia	Russia	+++
13	Australia	South Korea	South Korea	++
14	Russia	Australia	Australia	+
15	Mexico	Mexico	Turkey	+++
16	Argentina	Turkey	Mexico	+++
17	Saudi Arabia	Poland	Argentina	+++
18	Poland	Saudi Arabia	Poland	+++
19	Switzerland	Argentina	Saudi Arabia	++
20	Belgium	Switzerland	Switzerland	++

CAGR
2017 – 2023

++++ → >8%

+++ → 6 – 8%

++ → 3 – 5%

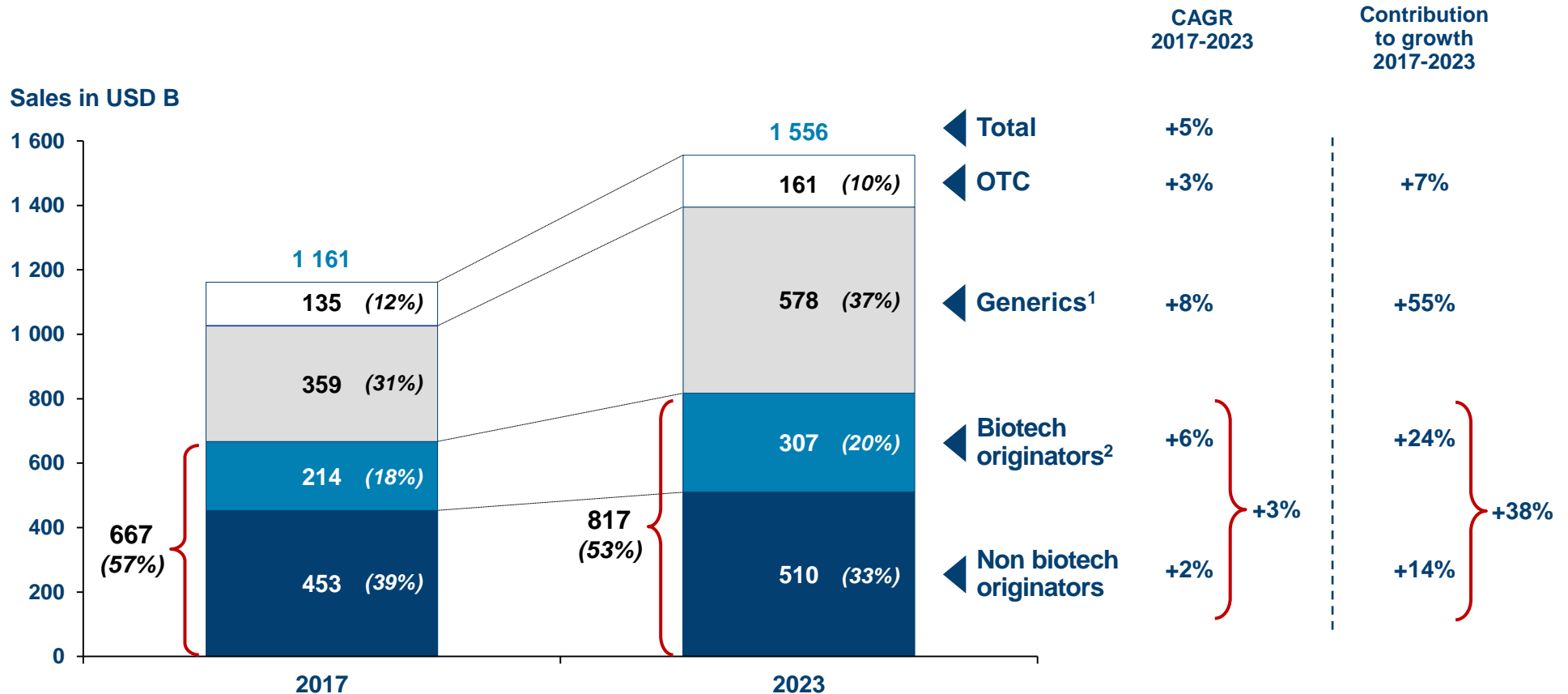
+ → 0 – 2%

Sources: IQVIA Institute (March 2018) – Smart Pharma Consulting estimates

¹ In 2017 USD, at constant exchange rate

The generics segment should become more important in value than non- biotech original drugs one in 2023 and contribute to 55% of the growth between 2017 and 2023

Global pharmaceutical market growth by strategic segment (2017 – 2023)



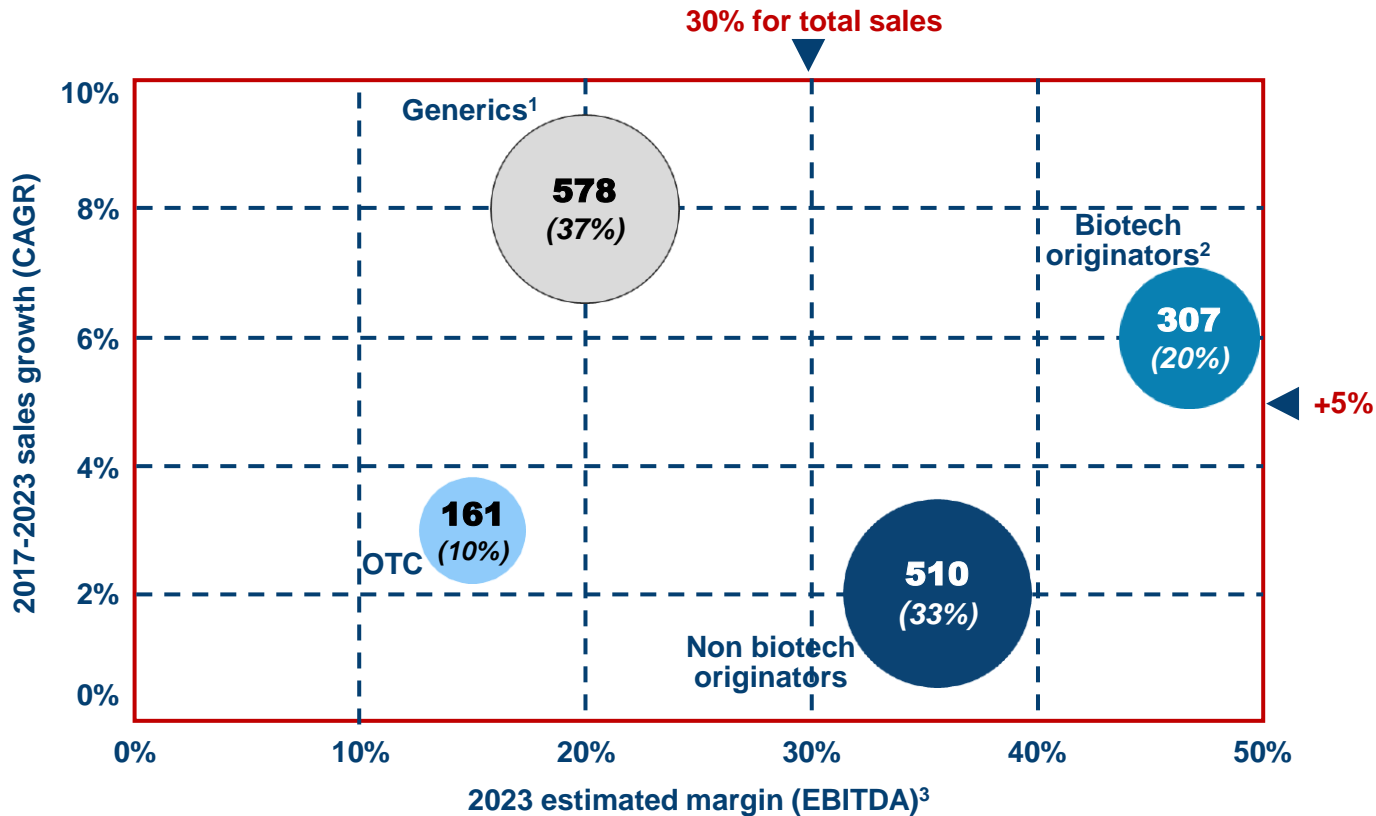
Sources: Outlook for Global Medicines through 2021, Quintiles IMS (December 2016) – Global OTC Drugs Market, Mordor Intelligence (August 2016) – Global economic growth projections, The Conference Board (November 2017) – Smart Pharma Consulting estimates

¹ Including branded and unbranded generics and biosimilars, excluding OTC –

² Excluding biosimilars, already included in the “Generics” segment

By 2023, the sales growth of pharma companies should be essentially driven by generics and biotech originators, but they should lose two points of profitability

Global pharmaceutical market growth by strategic segment (2017 – 2023)



○ 2023 sales in USD B (the total accounting for USD 1,556 B)

- By 2023, the sales (incl. human drugs only for the non-OTC segments; medical devices and food supplements for the OTC segment) should reach USD 1,556 B and grow at a pace of +5% p.a.
- The average EBITDA of the Pharma industry should decrease from ~32% in 2017 to ~30% in 2023, mainly as a result of increasing price pressure
- The OTC segment appears to be the least attractive
- The biotech segment will remain attractive but biosimilar competition will ramp up

Sources: Outlook for Global Medicines through 2021, Quintiles IMS (December 2016) – Global OTC Drugs Market, Mordor Intelligence (August 2016) – Global economic prospects, World Bank (June 2017) – Smart Pharma Consulting estimates

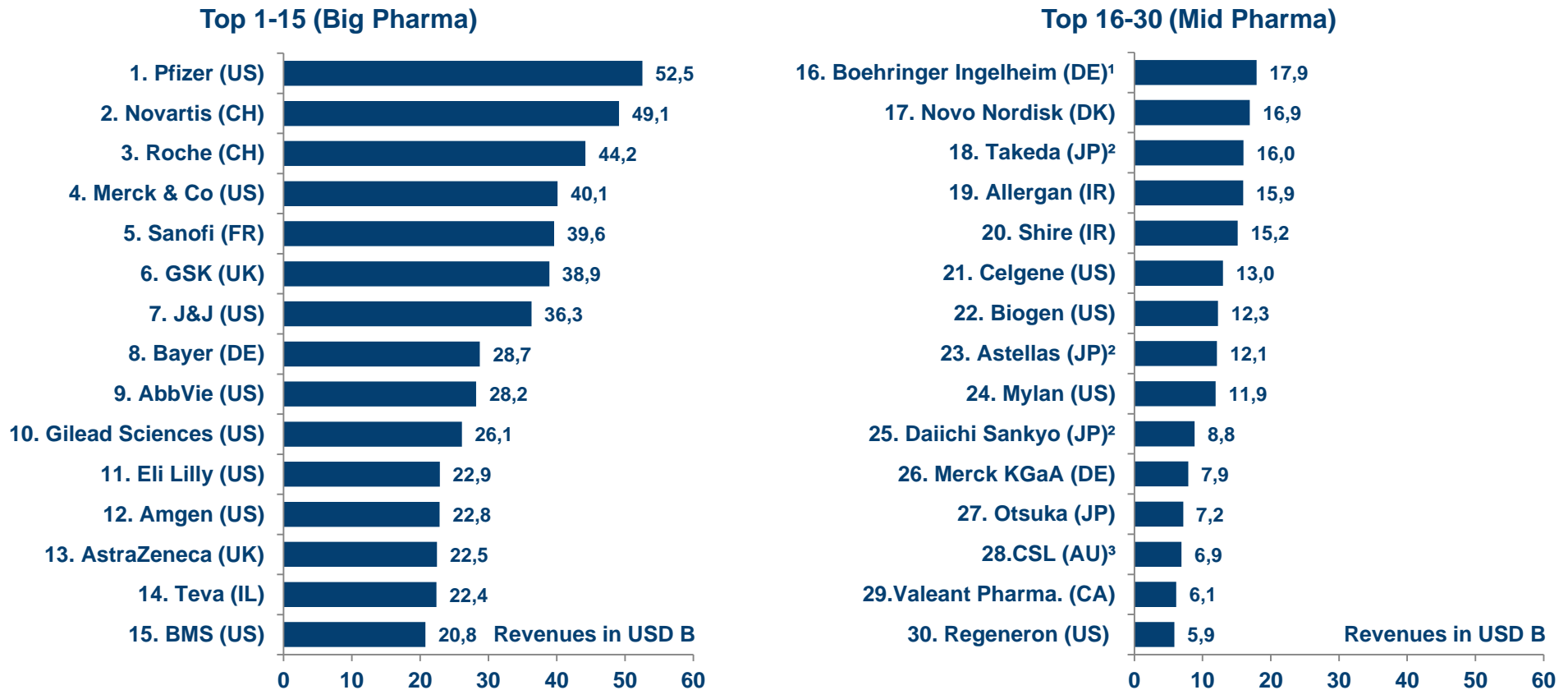
¹ Including branded and unbranded generics and biosimilars, excluding OTC –

² Excluding biosimilars, already included in the “Generics” segment –

³ Earnings before interest, taxes, amortization and depreciation

The top 30 pharma companies based on prescription sales, counts 12 companies from the USA and 11 from Europe

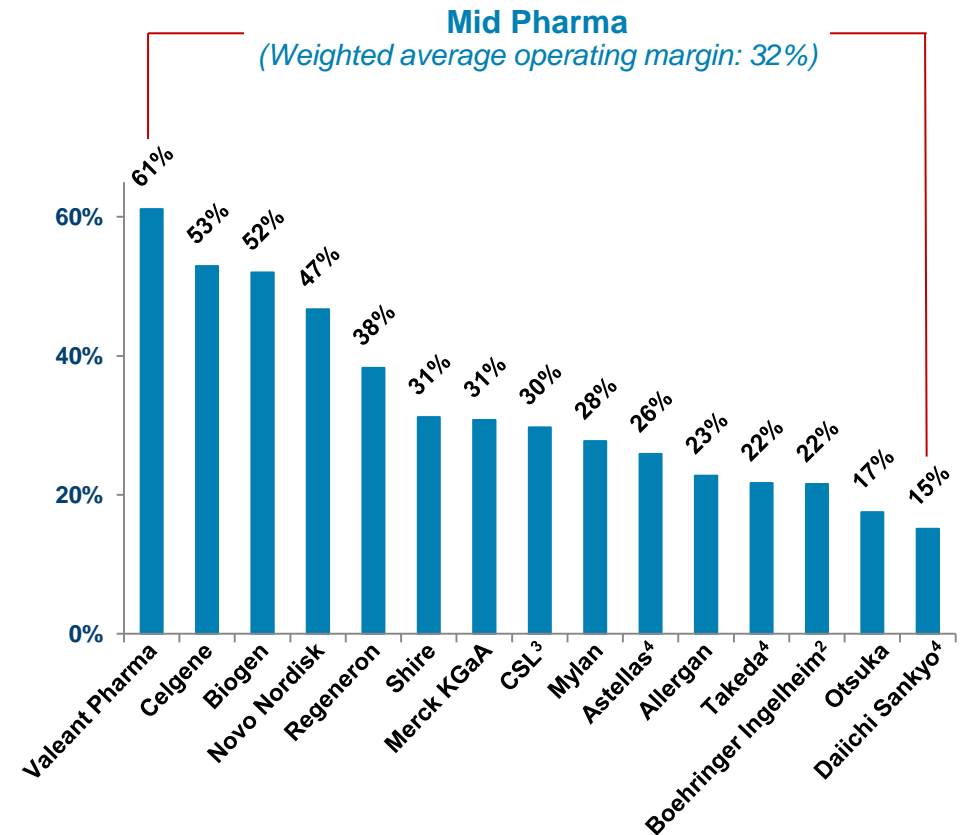
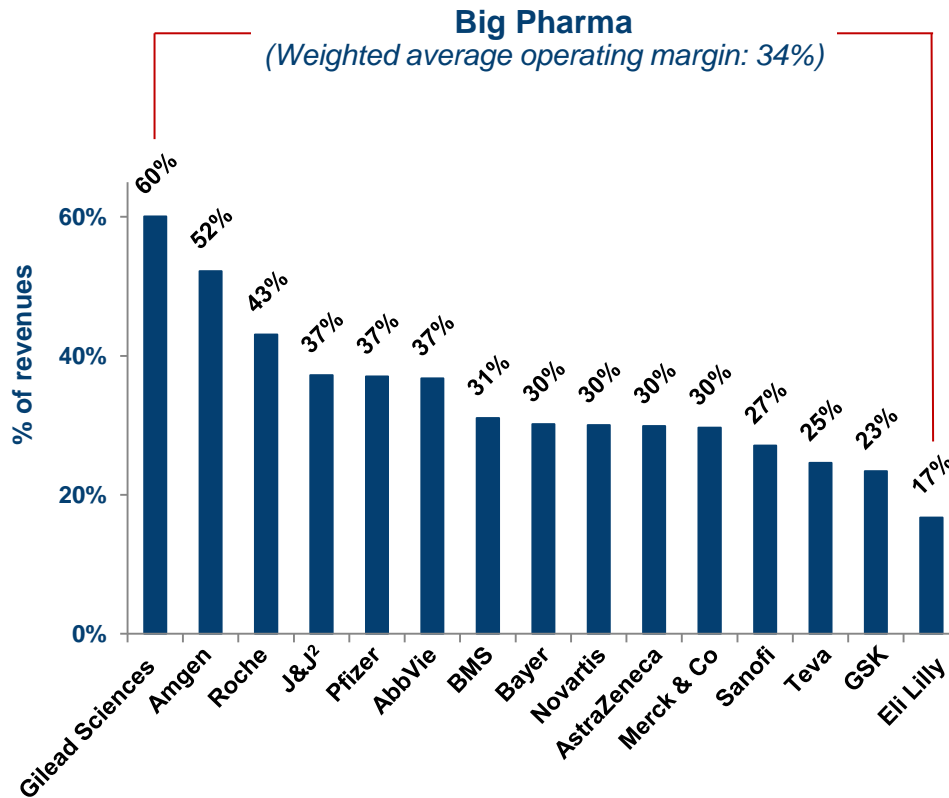
Top 30 prescription pharma companies – Sales (2017)



Note: panel of the 30 biggest pharma companies in terms of prescription sales in 2017 (excluding diagnostics, medical device, nutrition...)

The 2017 average operating margin was higher for Big Pharma companies in comparison to Mid Pharma companies, with a similar dispersion profile

Top 30 prescription pharma companies – EBITDA¹ (2017)



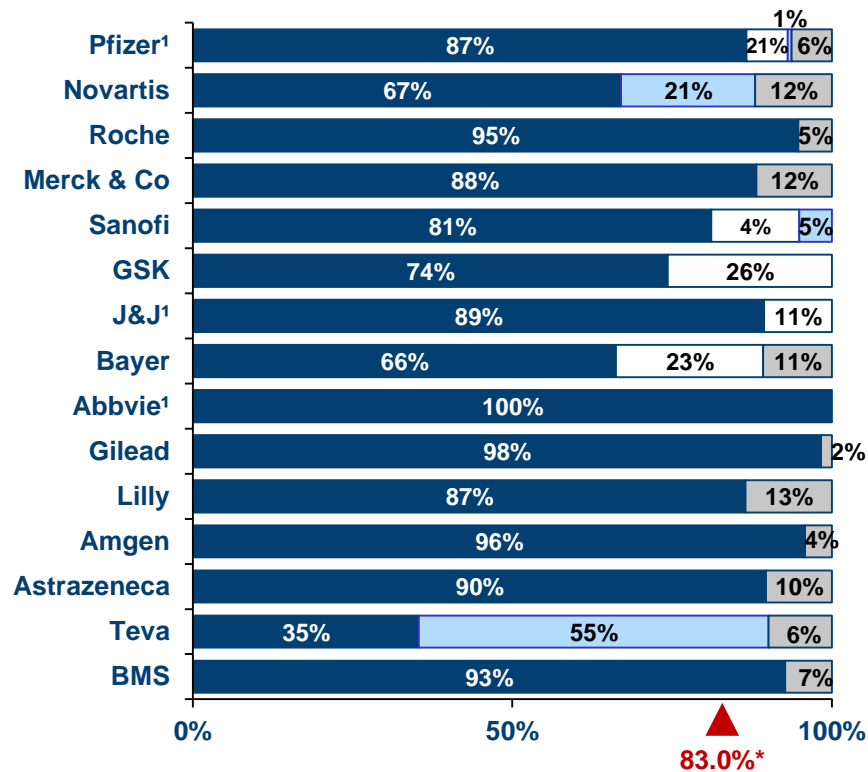
Sources: Companies annual reports (2017 or 2016) –
Smart Pharma Consulting analyses

¹ Earnings before interest, taxes, amortization and depreciation – ² 2016 data –
³ Fiscal year July 2016 - June 2017 – ⁴ Fiscal year April 2016 - March 2017

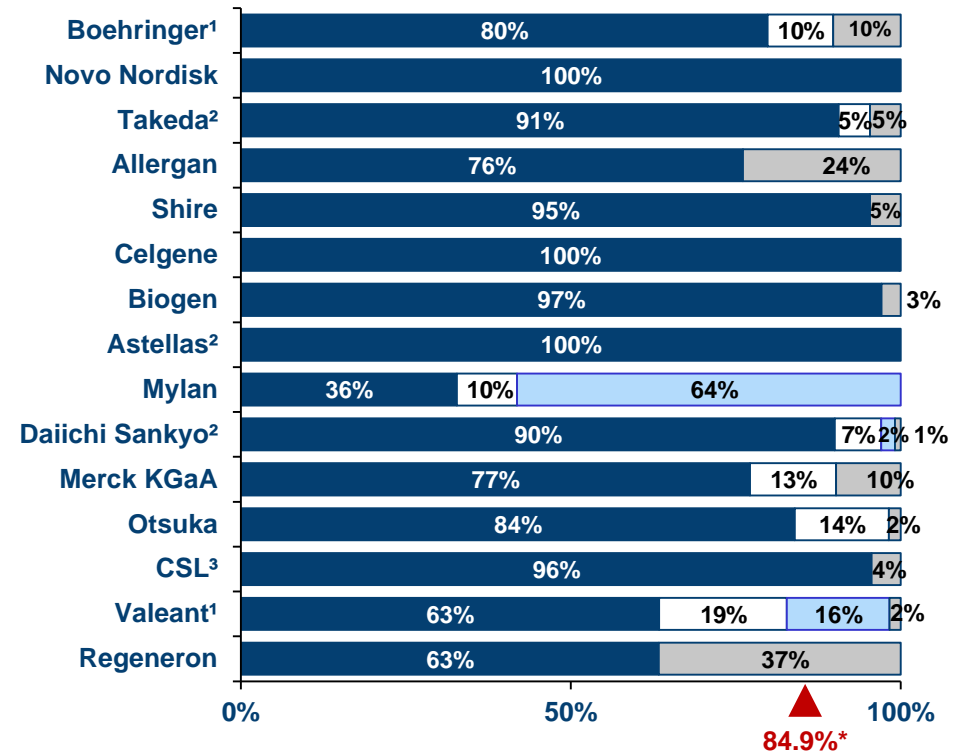
In 2017, original Rx-bound drugs and vaccines was the main source of revenue for most Big and Mid Pharma companies

Top 30 prescription pharma companies – Strategic segments (2017)

Big Pharma



Mid Pharma

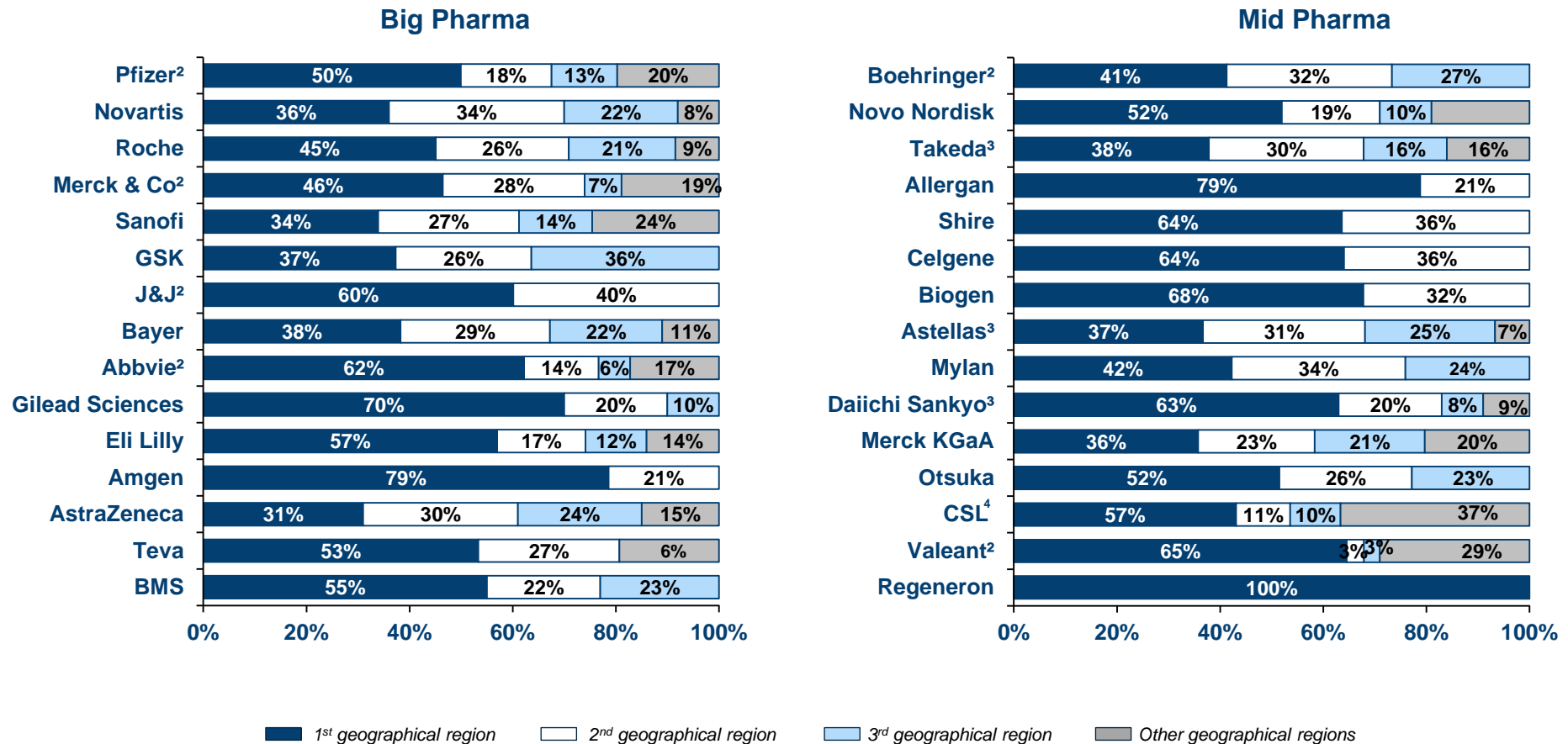


Original Rx-bound drugs and vaccines OTC & Consumer Health Generics Other

* Weighted average of the original Rx-bound drugs and vaccines

Mid Pharma companies tend to be less geographically diversified, with most of them generating more than half of their revenues in a single region

Top 30 prescription pharma companies – Geographical distribution¹ (2017)



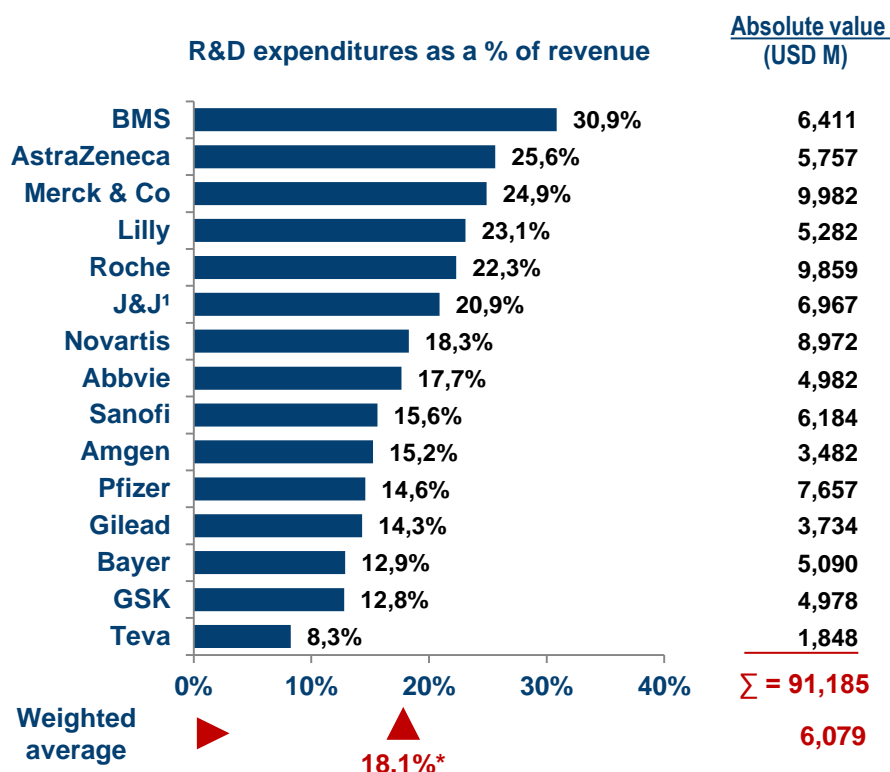
Sources: Companies annual reports (2017) – Smart Pharma Consulting analyses

¹ 1st & 2nd geographical regions include North America (including USA and Canada only), Europe and Japan depending on companies – ² 2016 data – ³ Fiscal year April 2016 - March 2017 – ⁴ Fiscal year July 2016 - June 2017

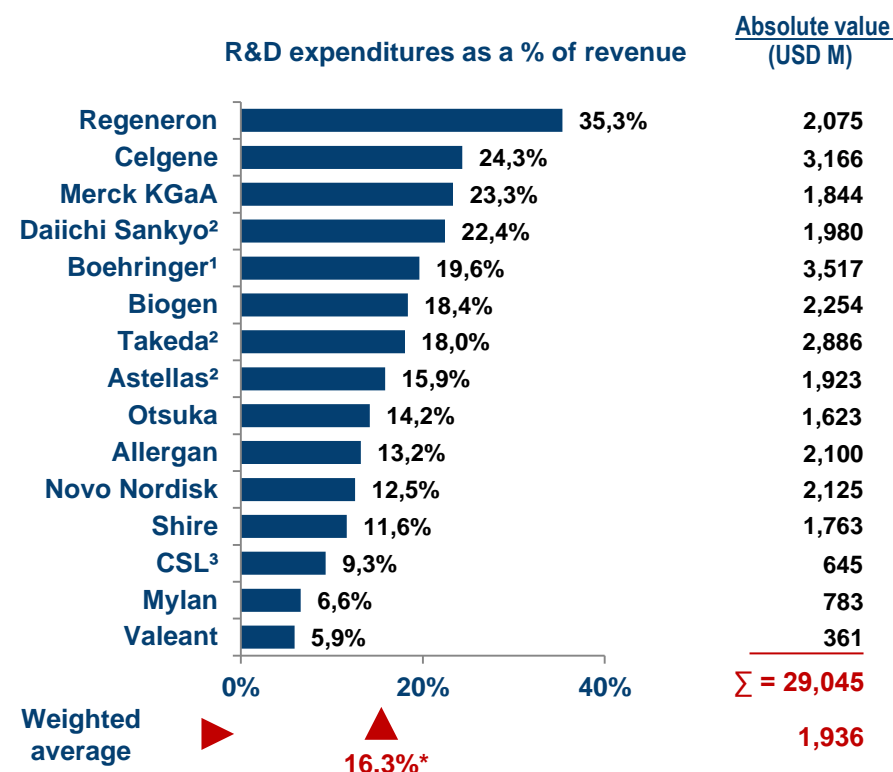
Big Pharma companies have spent three times more for R&D in absolute value than Mid Pharma companies and ~2 points more as a percentage of their revenues

Top 30 prescription pharma companies – R&D expenditures (2017)

Big Pharma



Mid Pharma



* Weighted average

Sources: Companies annual reports (2017 or 2016) – Smart Pharma Consulting analyses

¹ 2016 data – ² Fiscal year April 2016 - March 2017 – ³ Fiscal year July 2016 - June 2017

Most of the recent M&A operations have been carried out to strengthen Big and Mid Pharma companies positions on their core strategic segments

Top 30 prescription pharma companies – Major M&A operations (2015-2017)

Big Pharma

Acquirer	Acquired (> USD 2.0 B)	Strategic objectives		
		Diversification	Strengthening	Expansion
Pfizer	▪ Hospira (Generics / Biosimilars)	✓		
	▪ Medivation (Oncology)		✓	
	▪ Anacor (Anti-inflammatory)	✓		
Novartis	▪ Advanced Accelerator Applications (Oncology)		✓	
Sanofi	▪ Boehringer Ingelheim (Consumer healthcare business of the company)		✓	
J&J	▪ Actelion (Pulmonary arterial hypertension)		✓	
AbbVie	▪ Pharmacyclics (Oncology)		✓	
	▪ Stemcentrx (Oncology)		✓	
Gilead Sciences	▪ Kite Pharma (Cancer immunotherapies)		✓	
AstraZeneca	▪ Acerta Pharma (Cancer and autoimmune diseases)		✓	
	▪ ZS Pharma (Cardiovascular and metabolic diseases)		✓	
Teva	▪ Actavis Generics (Generics business of Allergan)		✓	
	▪ Auspex Pharmaceuticals (CNS disorders)		✓	
	▪ Rimsa (Latin America)			✓
BMS	▪ Cardioxyl (Cardiovascular)		✓	
	▪ IFM Therapeutics (Cancer immunotherapies)		✓	

Mid Pharma

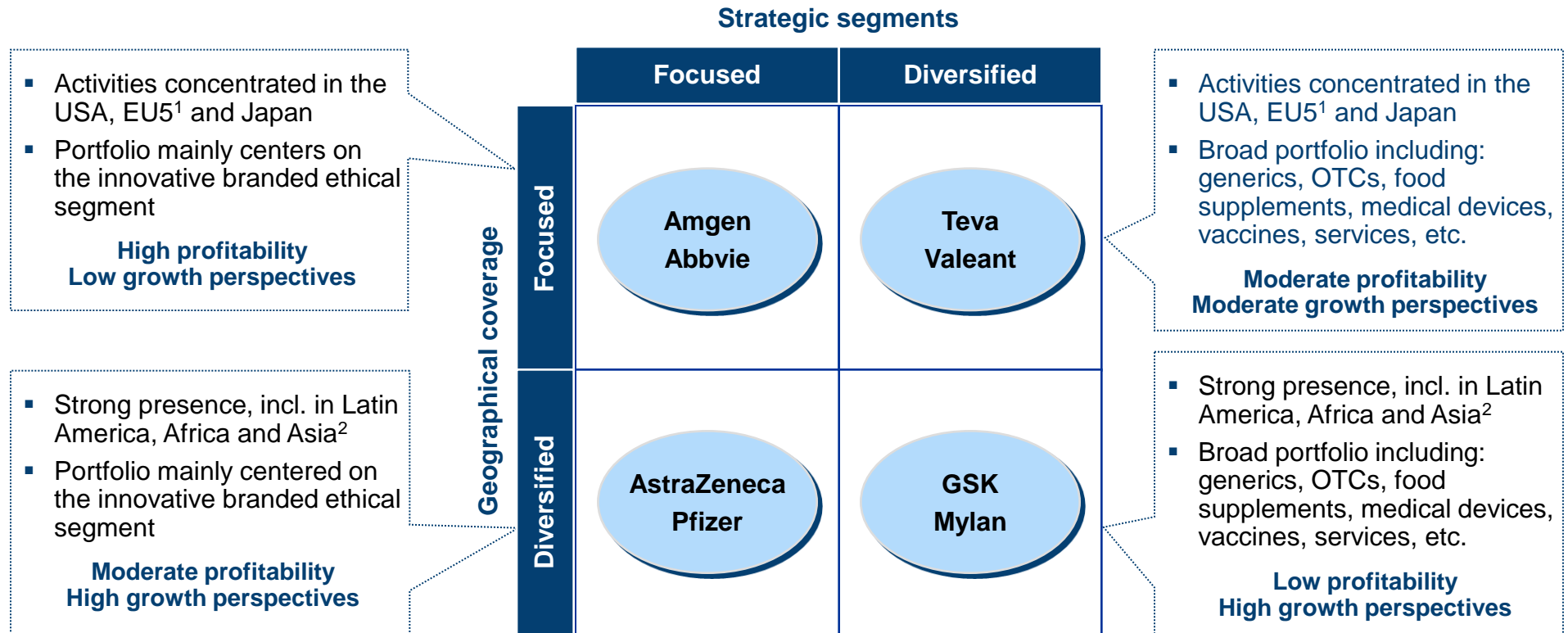
Acquirer	Acquired (> USD 2.0 B)	Strategic objectives		
		Diversification	Strengthening	Expansion
Boehringer Ingelheim	▪ Meril (Animal health business of Sanofi)		✓	
Takeda	▪ Ariad Pharmaceuticals (Oncology)		✓	
Allergan	▪ Life Cell unit of Acelity (Aesthetics & Regenerative)		✓	
	▪ Kythera Biopharmaceuticals (Aesthetics)		✓	
Shire	▪ Baxalta (Rare diseases)		✓	
	▪ Dyax Corp (Rare diseases)		✓	
	▪ NPS Pharmaceuticals (Rare diseases)		✓	
Celgene	▪ Receptos (Immune-inflammatory diseases)		✓	
Mylan	▪ Meda (OTC, Emerging markets such as China, Asia or MEA)	✓		✓
Valeant Pharma	▪ Salix Pharmaceuticals (Gastrointestinal)		✓	

Note: Diversification means entering new strategic segments/balancing minor segments – Strengthening means reinforcing major strategic segments – Expansion means geographical coverage

Sources: ThePharmaLetter – Companies' press releases – Smart Pharma Consulting analyses





Concentration strategies use to generate higher profitability ratios, whereas diversification and geographical expansion strategies provide higher profit growth

Development strategy matrix: Principles



Even if there is no one-size-fits-all winning strategy, a “global healthcare” strategy seems to be a reasonable long-term default option for Big Pharma companies

Development strategy matrix: Features

Strategic development directions	Sales evolution*	Profitability evolution*	Profit evolution*	Recommendations
 Local ethicals	+	--	++	<ul style="list-style-type: none"> Strategy showing the highest return on investment Moderately risky if portfolio of breakthrough innovations Reservoir of sales growth on the lower priced me-too markets (e.g. Amgen entering the biosimilars market)
 Local healthcare	++	--	++	<ul style="list-style-type: none"> Diversification in new strategic segments should be carried out preferably through acquisitions to save time, take advantage of brand equity (especially in the OTC market), know-how, and access to clients
 Global healthcare	+++	---	+++	<ul style="list-style-type: none"> Portfolio diversification is best implemented through the acquisition of global players (e.g. Pfizer and Hospira) Geographical expansion is preferable through the acquisition of local leaders (e.g. Teva and Rimsa)
 Global ethicals	++	---	++	<ul style="list-style-type: none"> Geographical expansion implies an “aggressive” direct or indirect presence (through licensing-out deals) Social “expansion” requires a tiered pricing policy or low-priced products to access low-income patients

* +++ Highly positive ++ Moderately positive + Slightly positive --- Highly negative -- Moderately negative - Slightly negative
















Source: Smart Pharma Consulting analyses

Big and Mid Pharma companies are mainly focused on the Rx branded segment but Big Pharma companies are more geographically diversified

Pharma companies development strategy (2017)

















Big Pharma

Strategic segments

		Rx branded Focused	Diversified
Geographical coverage	Focused	 BMS  Lilly  Gilead  Amgen  AbbVie  J&J	 Teva
	Diversified	 Roche  AstraZeneca  Merck & Co  Pfizer  Sanofi	 Bayer  Novartis  GSK

Mid Pharma

Strategic segments

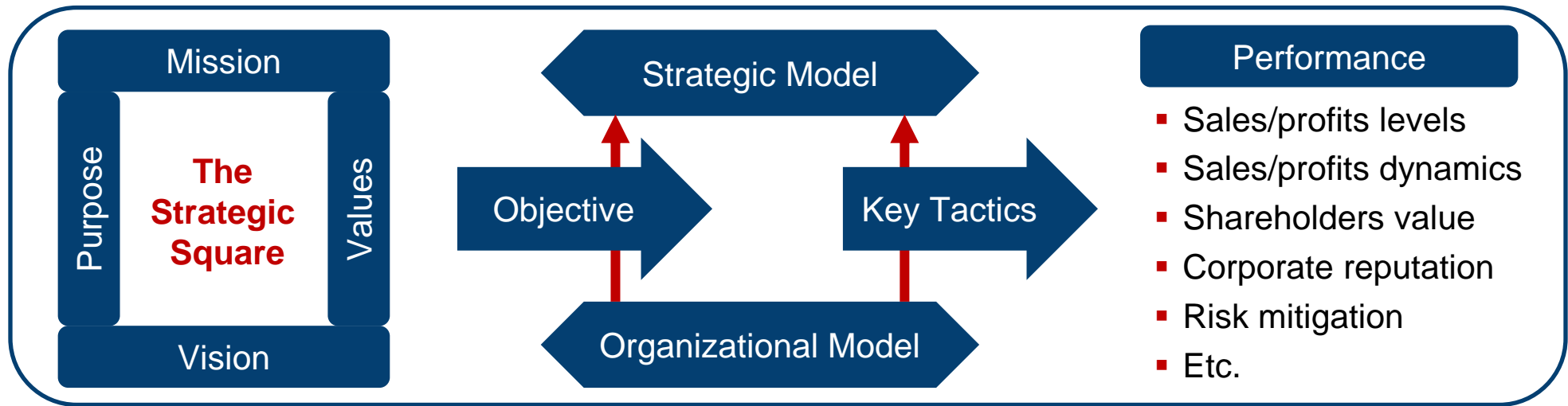
		Rx branded Focused	Diversified
Geographical coverage	Focused	 Allergan  Amgen  Shire  Celgene  Biogen  Novo Nordisk  CSL  Daiichi Sankyo  Otsuka	 Valeant  Regeneron
	Diversified	 Boehringer  Astellas  Merck KGaA  Takeda	 Mylan

Note: **Rx Branded focused:** Original Rx-bound drugs and vaccines $\geq 75\%$ of total product sale – **Geographically focused:** $>50\%$ of sales in a single geographical region (e.g. USA, Europe, Japan, etc.)

Sources: Companies annual reports (2017) – Smart Pharma Consulting analyses

This strategic process should help pharma companies translate their “Strategic Square” into the right strategy and tactics supported by the right organization

Methodology: Smart strategic process



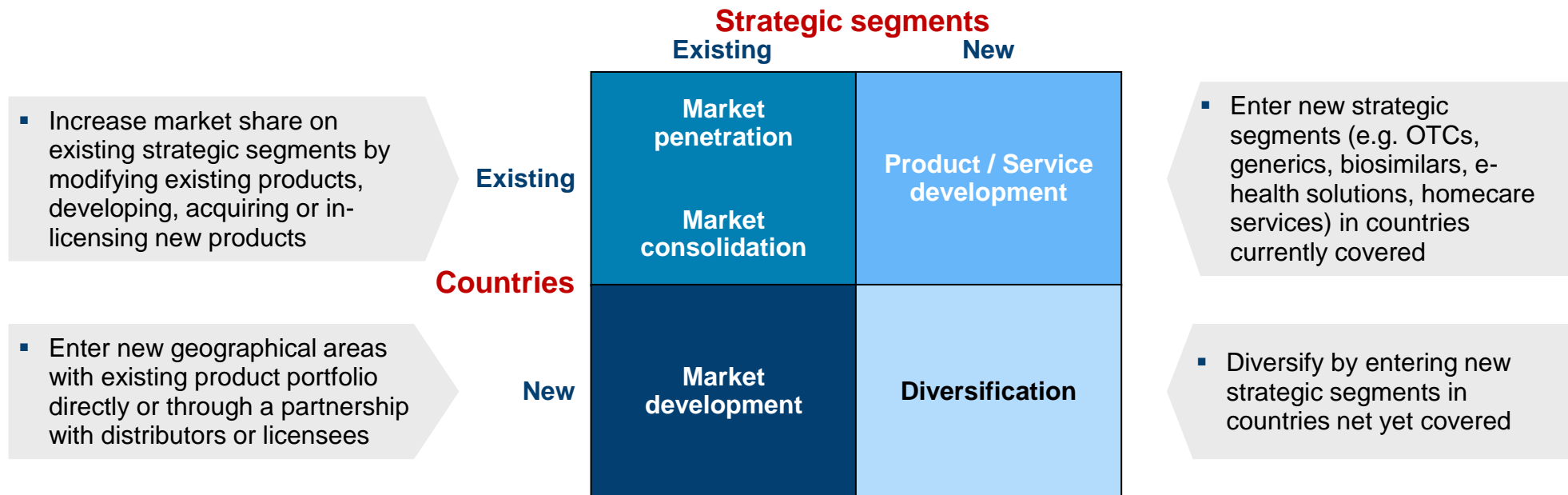
- **Purpose:** Why do we exist?
- **Vision:** What do we aspire to become?
- **Mission:** What do we do and for whom?
- **Values:** What do we believe in and how do we behave?
- **Objective:** What do we want to achieve?

- **Strategic model:** Where do we want to play and how are we going to play to win?
- **Organizational model:** What are the activities/capabilities, the processes, the structure¹ and culture we need to put in place to execute the strategy?
- **Key tactics:** How are we going to execute the strategy?
- **Performance:** What have we quantitatively and qualitatively² achieved and what are the gaps and why, if any?

Four basic corporate strategies can be adopted by pharma companies to secure a long-term and profitable growth, in line with their shareholders expectations

Corporate strategy crafting (1/2)

- The Development strategy matrix is a practical tool to select the most attractive sources of growth
- Diversification is in general the riskiest option because the farthest from the company core competencies
- However, playing in diverse strategic segments with different characteristics can enable to mitigate business risks



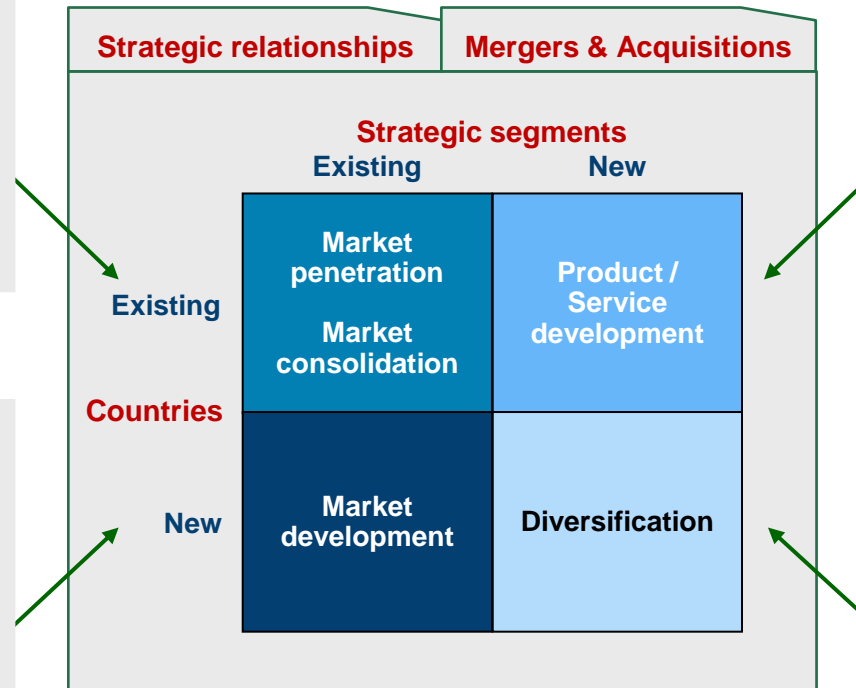
“The purpose of corporate strategy is to decide where to play and how to play to succeed”

The corporate strategy can be implemented by pharma companies organically or inorganically, through strategic partnerships, mergers or acquisitions¹

Corporate strategy crafting (2/2)

- Collaboration with a third party (e.g. pharma company and/or CSO²) to increase share of contacts and/or share of voice
- Co-marketing or co-promotion agreements to increase resources to market a product
- Acquisition of competitors to reduce or better manage competitive intensity

- Direct market entry by setting up its own subsidiary
- Indirect market entry by licensing-out its product portfolio to a third party or with a CSO
- Indirect market entry by acquiring a local player to take advantage of its resources and capabilities



- Entry on new strategic segments can be carried out through in-house R&D and/or through:
 - Horizontal integration (e.g. OTC, generics, homecare services)
 - Downward integration (e.g. distribution business)
 - Upward integration (e.g. toll manufacturing business)
 - Outsourcing to a CRO³
 - Etc.

- New strategic segments entry and new geographical coverage can be carried out organically or through acquisition, merger, joint-venture, in-licensing (e.g. with a pharma company) or subcontracting (e.g. with a pharma company, a CSO, a CRO) agreements

To craft a successful strategy, pharma companies must evaluate their business environment to identify where their competitive advantage will be the strongest

Business strategy crafting (1/3)

- To create a successful business strategy, pharma companies should carefully evaluate the strategic segment landscape they play in by:

Customers

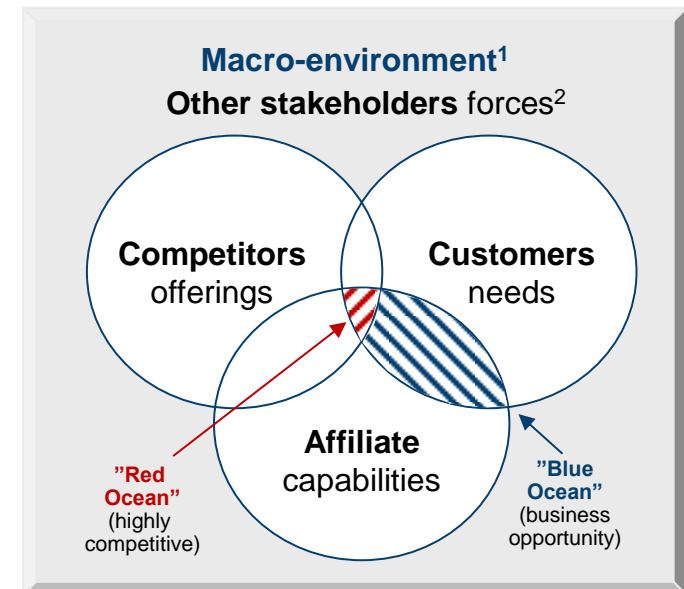
- Developing a detailed understanding of customer needs / wants
- Segmenting and targeting customers
- Identifying unique ways of creating superior value for customers

Competitors

- Analyzing competitors' current strategies, their impact, and predicting how they might change in the future

Company

- Providing products and services fulfilling better than competition, tangible and intangible customers needs / wants
- Finding strategic spaces or “blue oceans” that align the company’s capabilities with customer unmet needs and...
- ... raising barriers to prevent competitors to enter

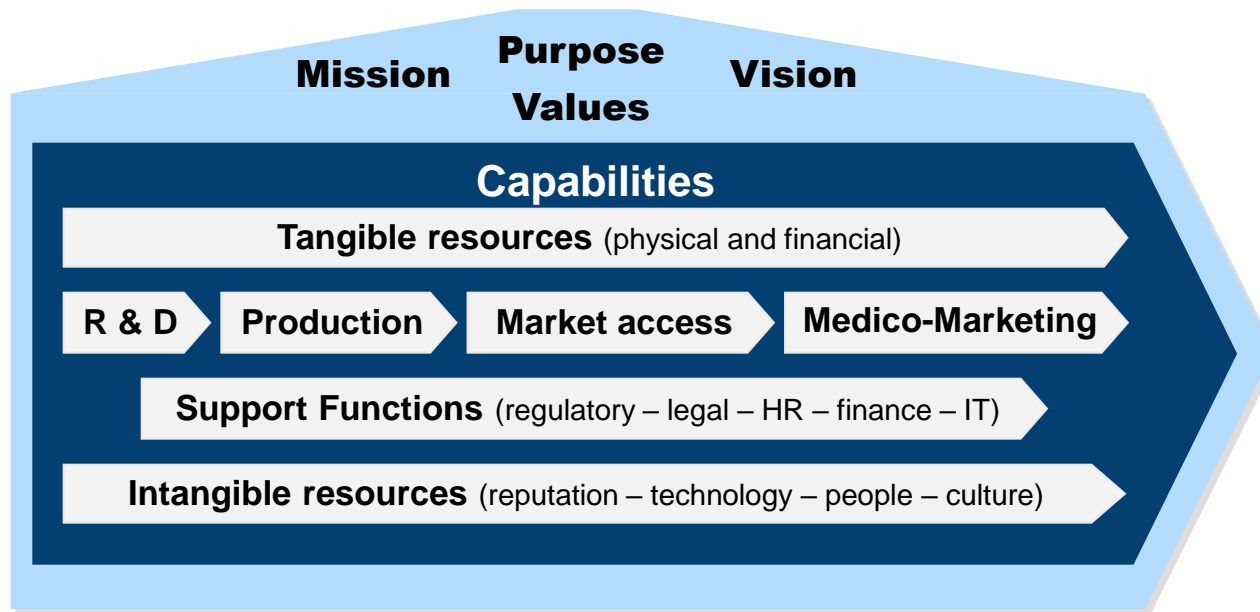


“Don’t just give customers excellent services, make sure they realize how great is the service they get”

The business strategy must offer a value proposition that meets, better than competition, customers needs and wants, by mobilizing capabilities and resources

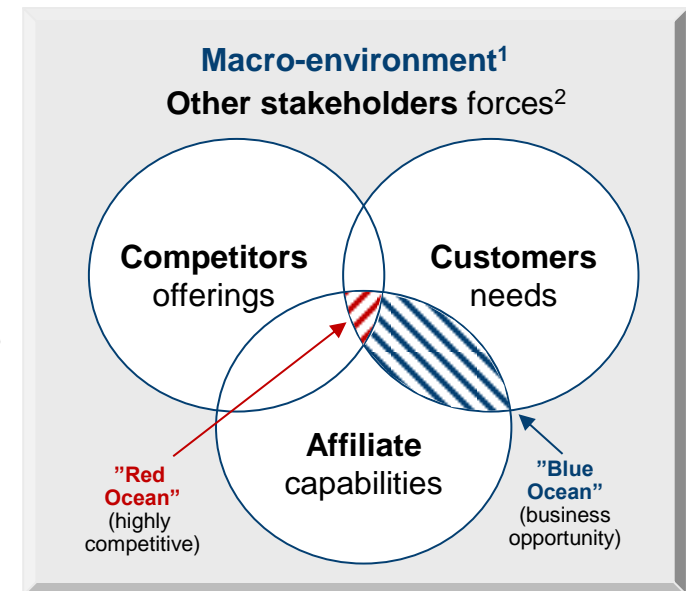
Business strategy crafting (2/3)

Business model



Strengths & Weaknesses
(Competitive advantage)

Strategic segments
(e.g. Rx-bound brands, generics, OTCs, devices, etc.)



Opportunities & Threats
(Attractiveness & Key success factors)

Objectives & Strategic priorities

Sources: Adapted by Smart Pharma Consulting from C. Kim et al. and from D.J. Collis, HBR April 2008

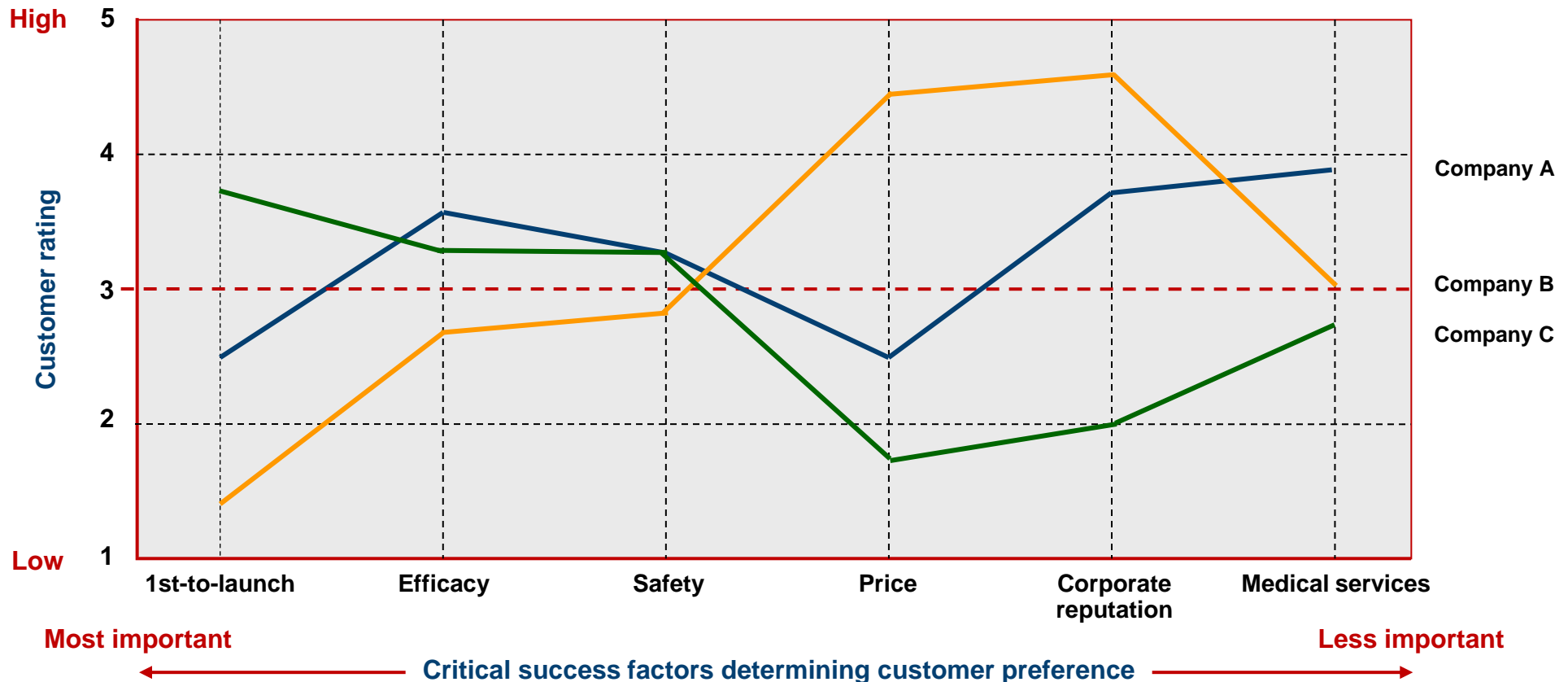
¹ Political / legal, economic, socio-demographic and technological factors –
² Including suppliers, new entrants, substitutes, complements

The strategic canvas can help identify strategic gaps which represent opportunities that are not being fully exploited by competition

Business strategy crafting (3/3)

Strategic canvas

Illustrative

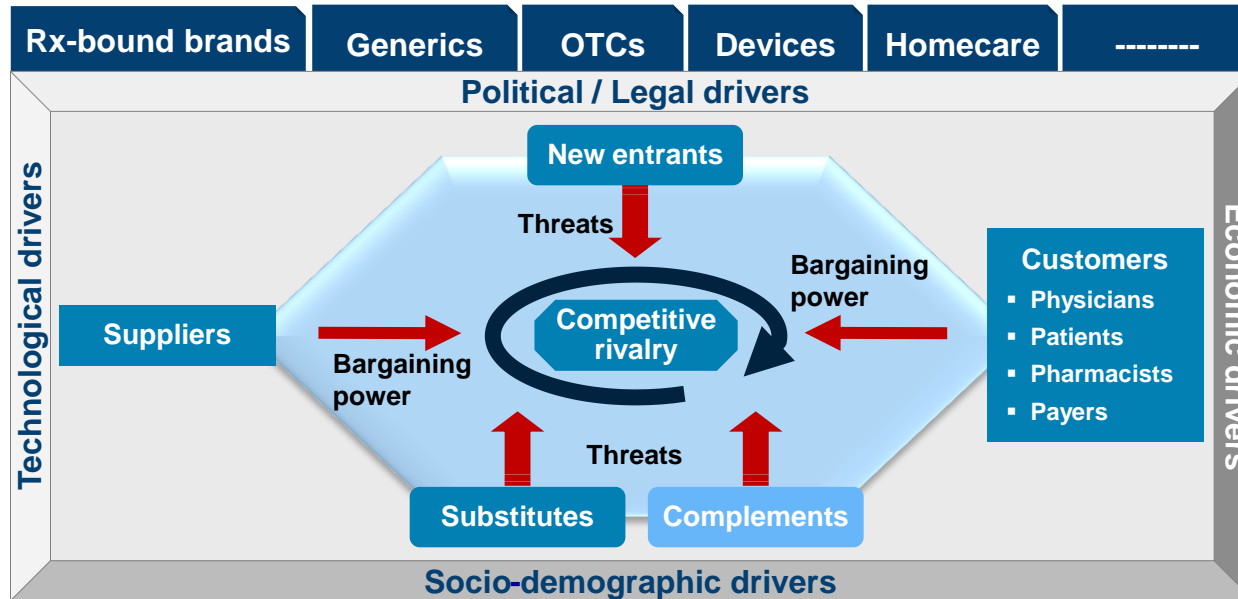


Source: Adapted after C. Kim et R. Mauborgne 2005

¹ Political / legal, economic, socio-demographic and technological factors –
² Including suppliers, new entrants, substitutes, complements

Business opportunities by strategic segment (e.g. original Rx-bound drugs, generics, OTCs, etc.) can be assessed through PEST analysis and the “5+1 forces framework”

Business strategy – Attractiveness of strategic segments (1/3)



- The four key macro-environmental drivers:
 - Political / Legal
 - Economy
 - Socio-demography
 - Technology
- The five key micro-environment drivers:
 - Suppliers
 - Customers
 - New entrants
 - Substitutes
 - Competitive rivalry
- ... plus the “Complements” influence the attractiveness of each strategic segment and impact the success or the failure of pharma companies strategy
- These key drivers for change can be used to build scenarios of possible futures, especially by adopting the “what if” technique

Analysis of Political / Legal – Economic – Socio-demographic – Technological drivers, called PEST analysis, and then the “5+1 forces Framework” will help pharma companies set an appropriate strategy per strategic segment

■ “Porter’s five forces” ■ “Additional force”

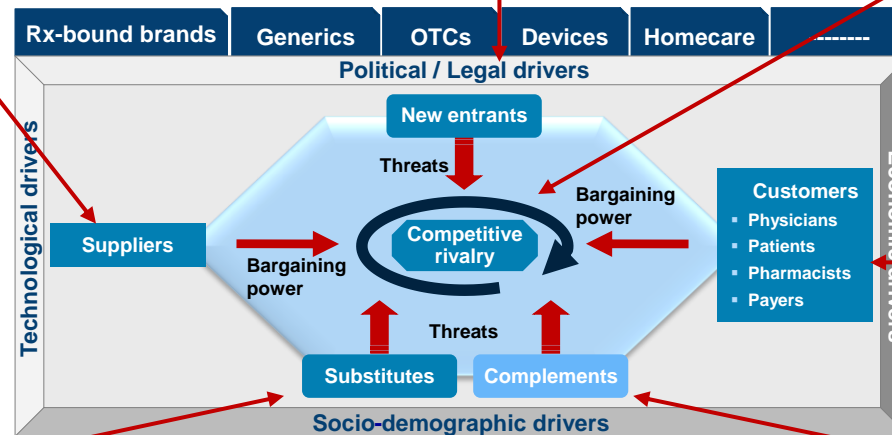
The “5+1 forces framework” is particularly helpful to identify the key stakeholders that will influence the long-term structure and profitability of strategic segments

Business strategy – Attractiveness of strategic segments (2/3)

- **Most R&D-based pharma companies** being vertically integrated, threats from suppliers are rarely an issue
- **However, on the generics segment**, API¹ or DDS² suppliers may have a stronger bargaining power

- **New entrants** (e.g. innovative products, “me-too” products, generic products) are likely to modify competitive intensity and therefore pharma companies performance

- **Competitive rivalry intensifies with:**
 - Price discounting
 - New formulations, indications, products
 - Commoditization
 - Service improvement
 - Promotional costs



- **Higher pressure from groups of customers:**
 - Patient advocacy groups asking for better services
 - Buying groups have increased the distributors’ leverage

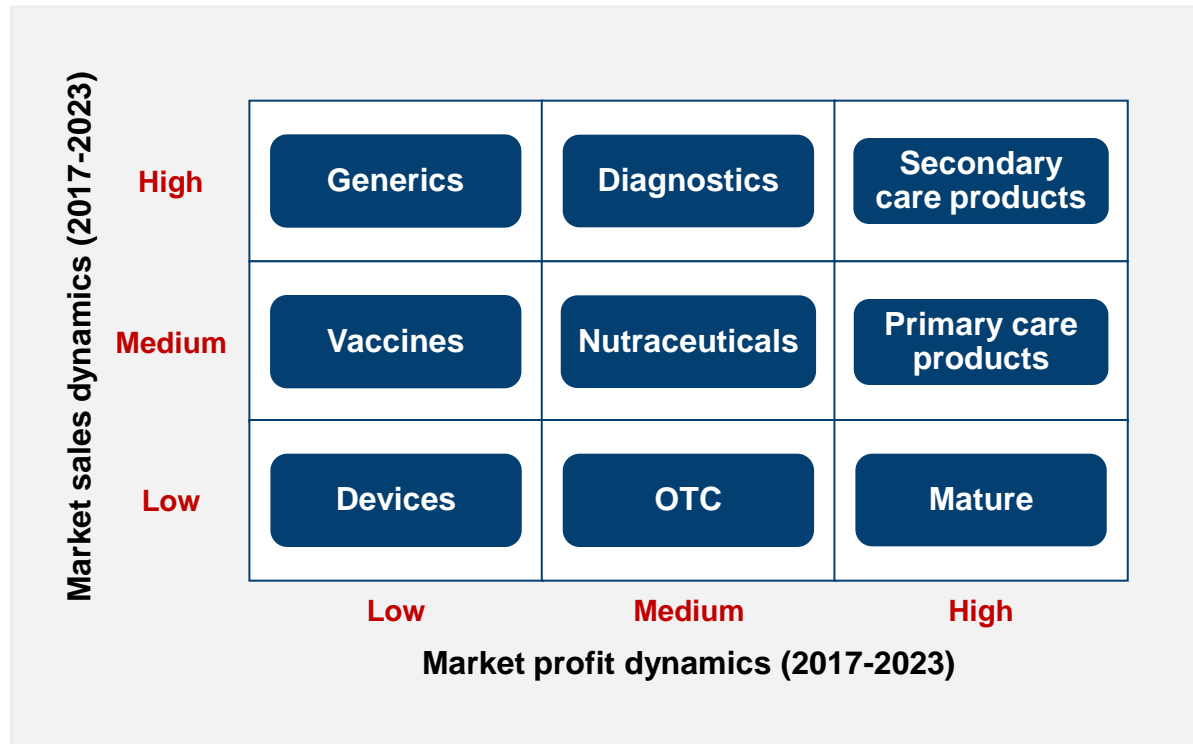
- **Substitute products or services include:**
 - Alternative therapies
 - Preventive therapies (e.g. vaccination vs. anti-infective drugs)

The “5+1forces framework” allows to determine how strategic segment’s profit will be shared between stakeholders, depending on their respective competitive advantage

- **Complementary products or services include:**
 - Devices (e.g. BGM³)
 - Diet food
 - Patient compliance management services

Attractiveness of new strategic segments should be put into a dynamic perspective and potential synergies with existing businesses also be considered

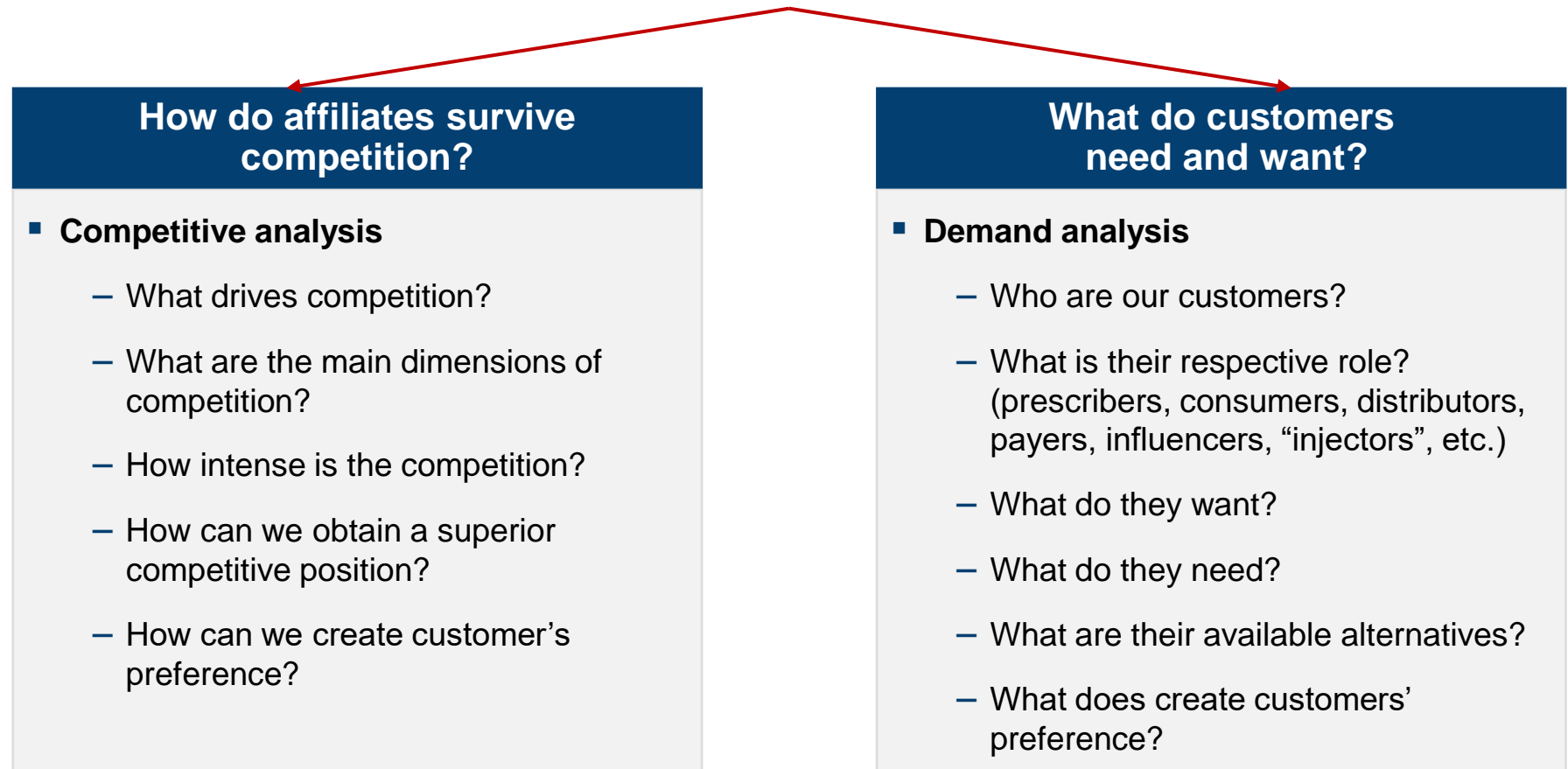
Business strategy – Attractiveness of strategic segments (3/3)



- The attractiveness of a strategic segment should be defined, based on the evolution of economic indicators such as sales and profits
- Additional parameters such as potential synergies with the existing business should also be considered, while evaluating attractiveness of new strategic segments

Key success factors by strategic segment where business opportunities have been identified are driven from competitive intensity and from customers needs and wants

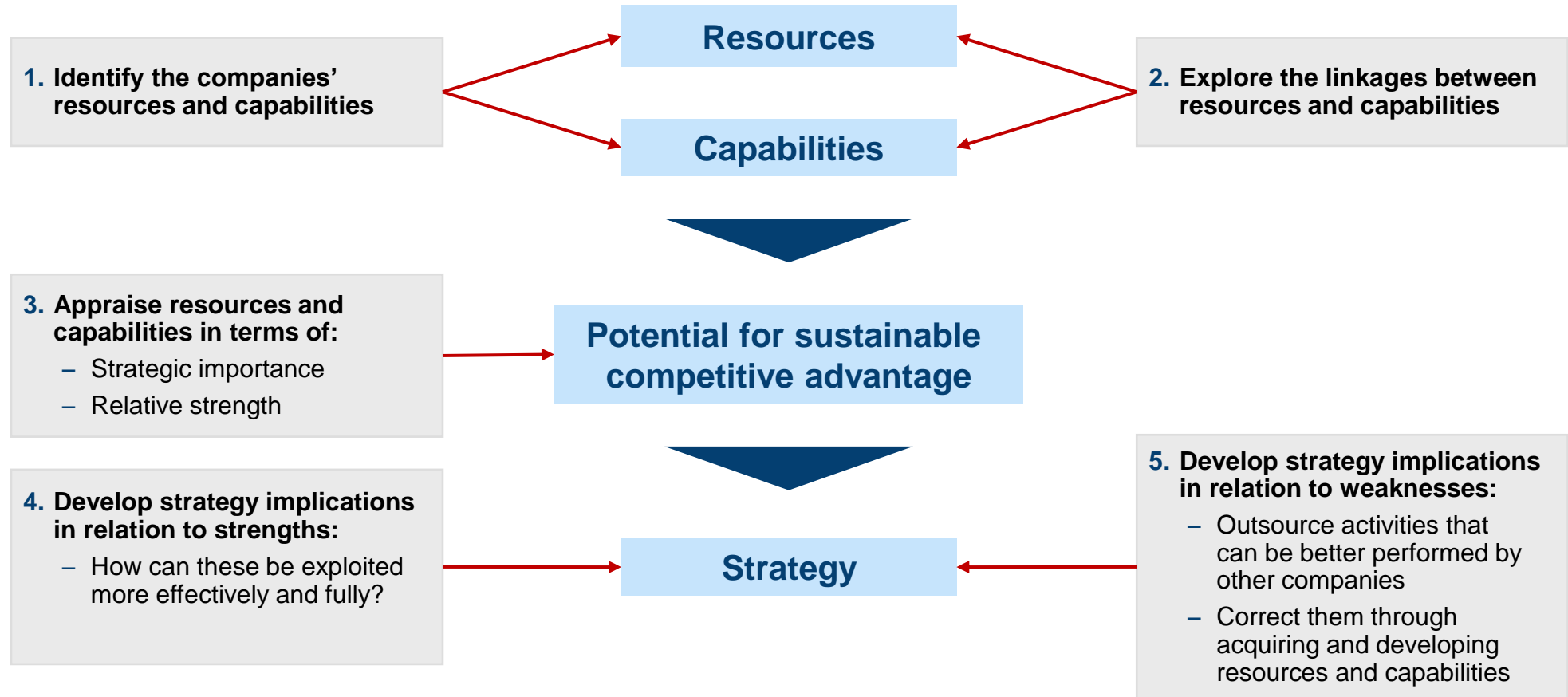
Business strategy – Key success factors by strategic segment



Source: Adapted by Smart Pharma Consulting from R. Grant 2008

Systematic appraisal of company's resources and capabilities provides the basis for formulating operational strategy

Operational strategy crafting



Source: Adapted by Smart Pharma Consulting from R. Grant 2008

Pharma companies should reinforce resources and capabilities that are critical to establishing a sustainable competitive advantage to generate superior profits

Operational strategy – Resource and capabilities assessment



“Some resources and capabilities are needed to play, but not needed to win”

Pharma companies capabilities can be developed or adjusted internally, as well as externally through outsourcing, strategic alliances or merger and acquisition

Operational strategy – Approaches to capability development

Merger & Acquisition

- Acquiring capabilities should be considered if desired capabilities can only be developed over long periods
- Integrating the acquired capabilities with the acquirer's ones involves major risks such as:
 - Culture clashes
 - Personality clashes
 - Incompatibility of management systemsresulting in degradation or destruction of the capabilities that were sought

Outsourcing

- Companies can access capabilities (and resources) by borrowing them from other companies through outsourcing arrangements

Internal Development

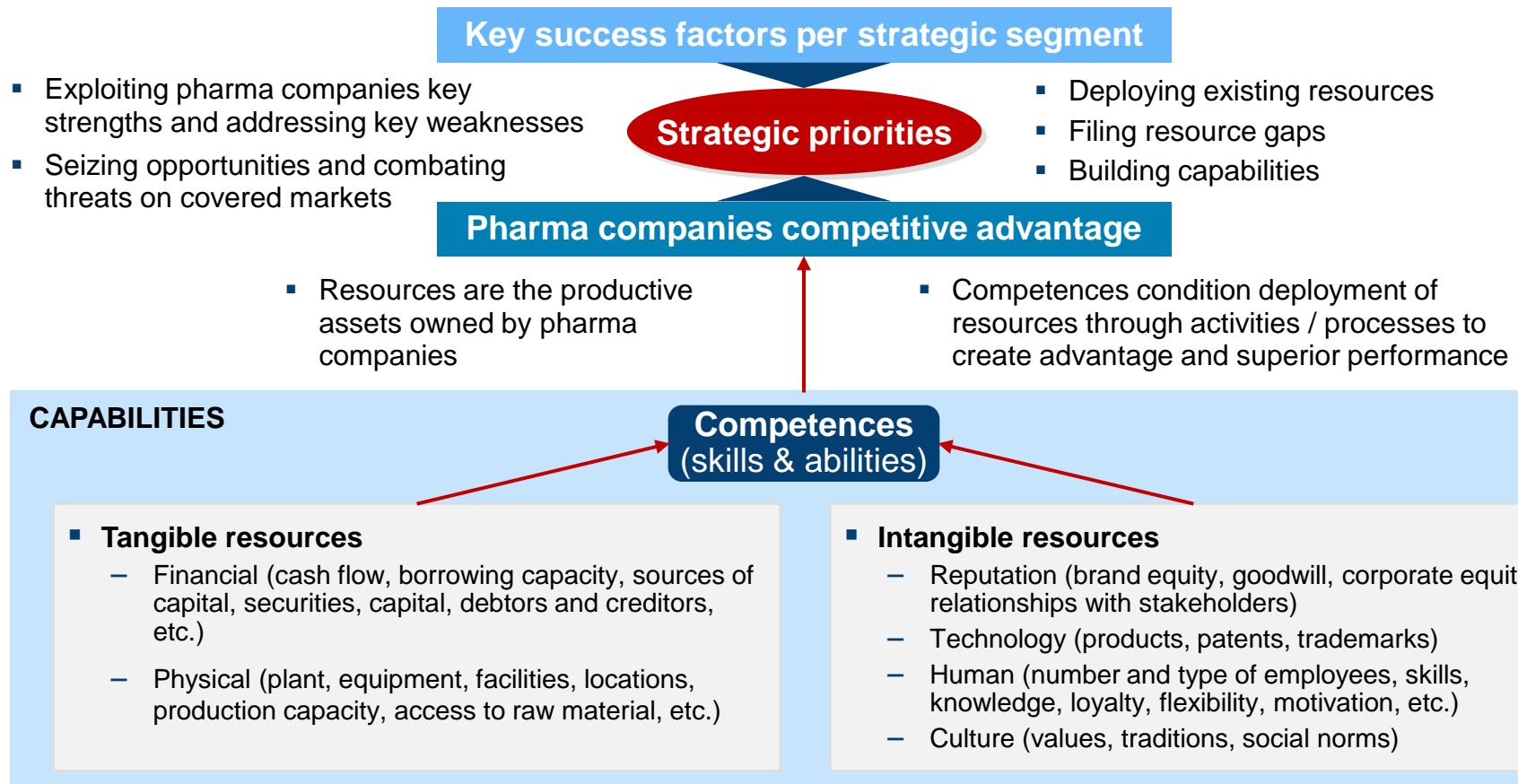
- Growing capabilities requires that companies replicate them internally...
- ... by systematizing the knowledge that underlies capabilities through the formulation of SOPs¹

Strategic Alliances

- Accessing capabilities through alliances offers a more targeted and cost effective mean than acquisition
- A strategic alliance involves the sharing of resources in pursuit of common goals
- Where both alliance partners are trying to acquire one another's capabilities, the result may well be a "competition for competence" that ultimately destabilizes the relationship

Strategic priorities should be set after capabilities assessment to outperform competitors on key success factors inherent to each targeted strategic segment

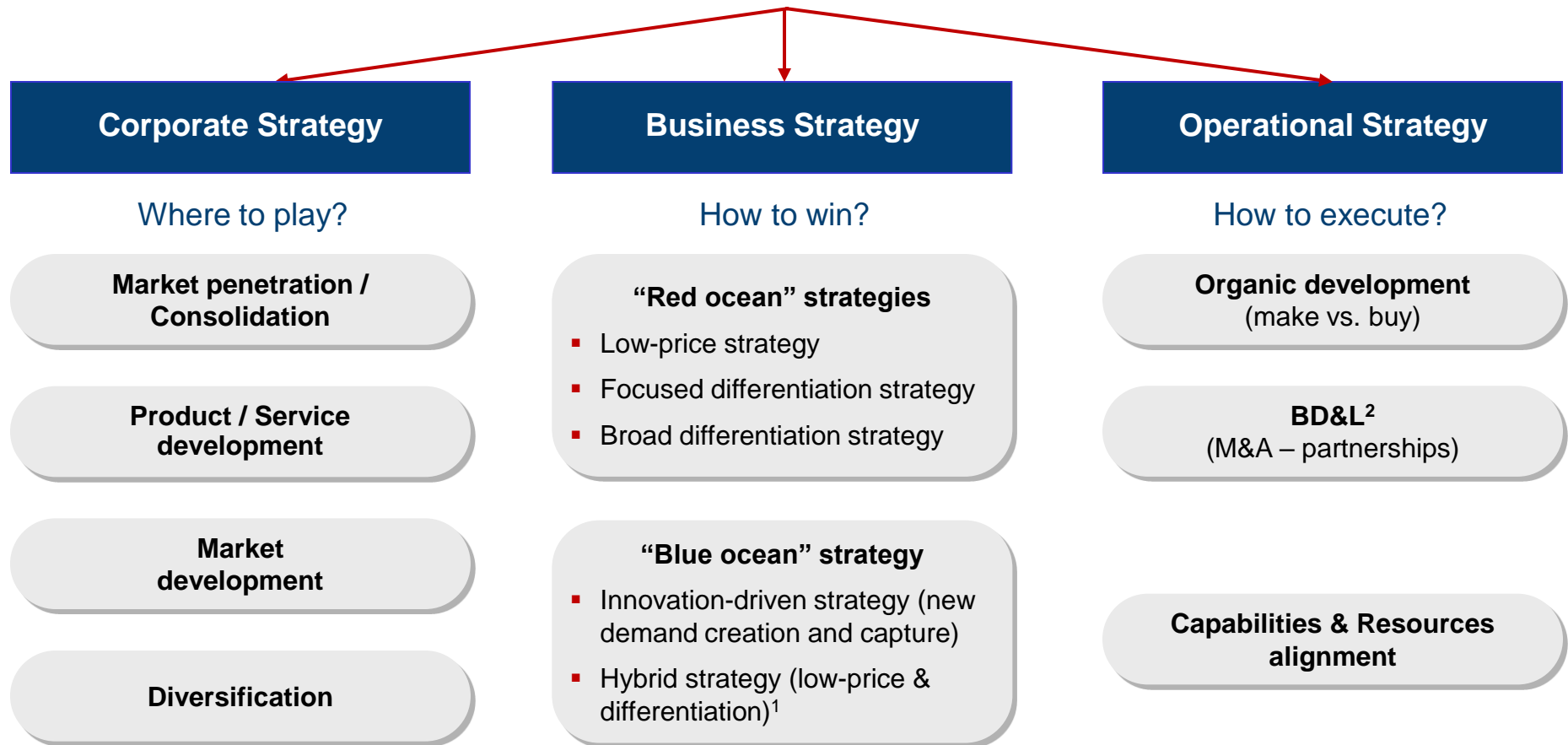
Strategic priorities & competitive advantage



Source: Adapted by Smart Pharma Consulting from R. Grant 2008 and D. Waters 2006

The three different strategic levels – corporate, business and operational – must be crafted in a consistent manner to optimize the impact on performance

Multi-level strategic options

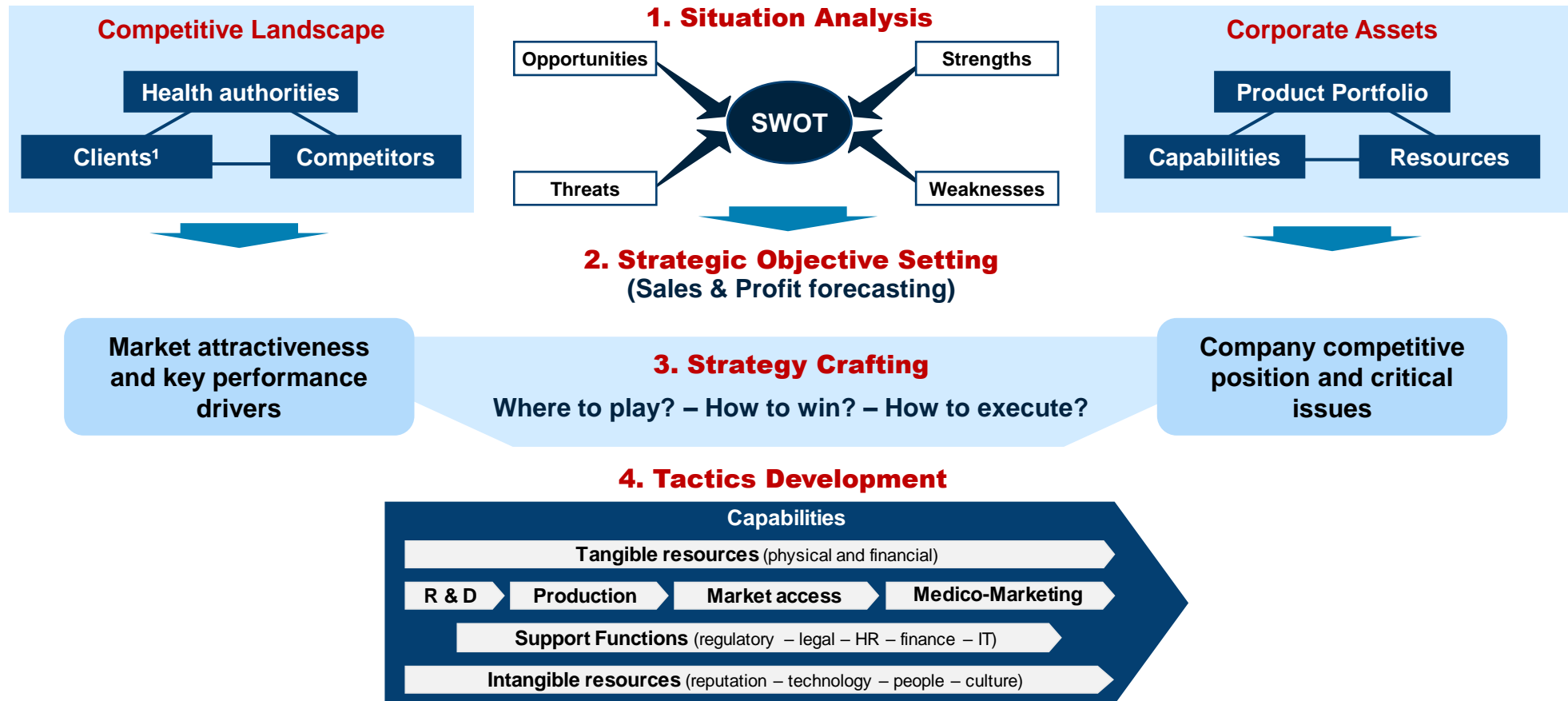


Sources: Adapted by Smart Pharma Consulting from G. Johnson et al., 2008, W.C. Kim & R. Mauborgne, 2005

¹ Eliminating or reducing costs while raising or creating value – ² Business Development & licensing

The strategic thinking process aims at aligning company's unique capabilities and resources to seize market opportunities and address market threats

Strategic thinking framework (1/3)



Smart Pharma Consulting recommends the following approach to craft a strategy at corporate, business and operational levels to boost pharma companies performance

Strategic thinking framework (2/3)

Situation Analysis

- **Kick-off meeting organization**
 - Agreement on project management, scope and deliverables
- **Historical market and product data analysis (2014 – 2017)**
 - Internal and external data collection through desk research, and interviews to acquire the right level of insights
 - Analysis of sales and profits per strategic segment:
 - Competitive landscape (health authorities, clients and competitors opinions and behaviors)
 - Corporate assets (product portfolio, capabilities and resources)
 - Advanced SWOT analysis
- **Sales and profits growth modeling (2018 – 2023) by applying the on-going strategy (“as is” scenario)**
- **Writing of the situation analysis summary**

Strategy Formulation

- **Strategy crafting workshops**
 - Review of situation analysis outputs
 - Reassessment of the strategic square (purpose, mission, vision, values)
 - Strategic objective setting
 - Review and prioritization of multi-level strategic options (corporate, business, operational)
 - Development of tactics that will support the selected strategies (alignment of capabilities and resources along the different components of the value chain)
- **Fine-tuning of the strategy**
 - Sales and profits growth modeling (2018 – 2023) following the integration of the recommended strategy and tactics (“boosted” scenario)
 - Final selection of the strategic levers (suitability, efficacy / acceptability and feasibility) to boost the performance
 - Tactical recommendations (key activities supporting strategic priorities) and monitoring tools¹
- **Writing of the 2018 – 2023 Strategy Plan**

The following enabling tools will help pharma companies make strategic decisions and formalize them in a robust and practical strategic plan

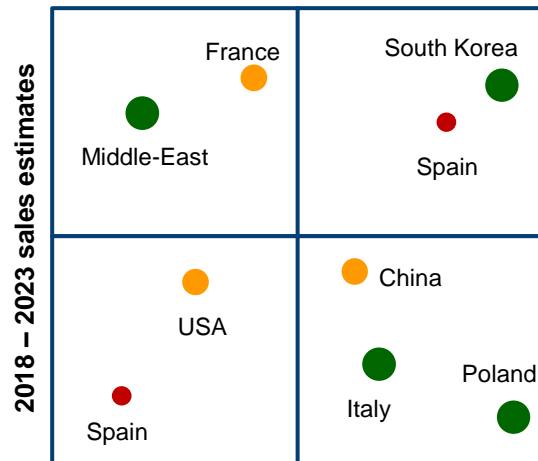
Strategic thinking framework (3/3)

Illustrative

Situation Analysis

Strategy Formulation

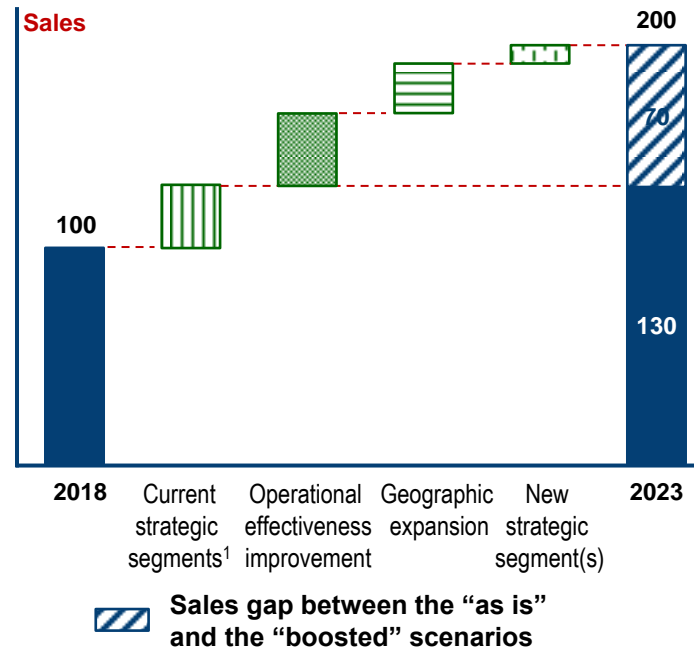
Potential of current strategic segments by country



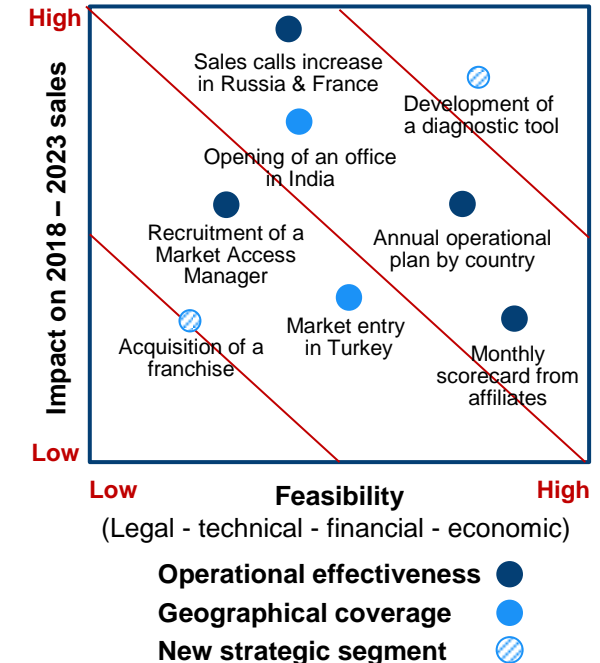
2018 – 2023 profits estimates

Operational effectiveness level
Low ● Moderate ● High ●

2018 – 2023 sales growth estimates



Prioritized strategic levers



This masterclass has been designed to help pharma executives build robust and relevant strategies while ensuring their proper execution for an optimal result

Masterclass: Pharma Strategy & Operational Excellence

Day 1: Market Analysis

- 9:00 Introduction to the masterclass
- 9:10 Review and discussion of most appropriate concepts, methods and tools to analyze current strategies (at corporate, business and operational levels)
- 10:30 *Break*
- 10:45 Case study #1: **Strategic situation analysis:**
 - Analysis of strategic segments covered
 - Analysis of products/services offered by segment
 - Corporate, business and operational strategy assessment
- 13:00 *Lunch*
- 14:00 Presentation of the case study outputs, discussion and agreement on key learnings
- 15:30 *Break*
- 15:45 Lecture by and discussion with an expert:
“Review of the most audacious and successful strategies – Lessons from non pharma markets”
- 17:00 End of the 1st day

Day 2: Strategy Crafting & Execution

- 9:00 Introduction to the 2nd day
- 9:10 Review and discussion of most appropriate concepts, methods and tools to craft and execute strategies (at corporate, business and operational levels)
- 10:30 *Break*
- 10:45 Case study #2: **Strategy crafting:**
 - Setting a strategic objective
 - Selecting strategic options at corporate, business and operational levels
- 13:00 *Lunch*
- 14:00 Presentation of the case study outputs, discussion and agreement on key learnings
- 15:00 Case study #3: **Strategy execution:**
 - Developing high execution standards
 - Monitoring the quality of execution with KEIs¹
- 16:15 *Break*
- 16:30 Presentation of the case study outputs, discussion and agreement on key learnings
- 17:30 End of the masterclass

The Best-in-Class Series

- This series intends to share concepts, methods and tools to boost the efficiency and efficacy of executives having operational responsibilities in the pharma business
- We have yet published six Best-in-Class issues:
 1. Medical Science Liaisons
 2. Pharma Marketers
 3. Medical Reps
 4. Hospital KAMs
 5. Pharma BD&L
 6. Pharma Market Research

Issue #7: Best-in-Class Pharma Strategy

- In this booklet, Smart Pharma Consulting:
 - Analyses the global pharma market structure and trends (2017 – 2023 prospects)
 - Reviews the top 30 pharma companies performance
 - Proposes a process and tools to craft strategies (at corporate, business and operational levels) and to develop a robust and relevant strategic plan
 - Presents a two-day training program on pharma strategy development and execution

Smart Pharma Consulting Editions



- Besides our consulting activities which take 85% of our time, we are strongly engaged in sharing our knowledge and thoughts through:
 - Our teaching and training activities
 - The publication of articles, booklets, books and expert reports
 - As of today, more than 100 publications in free access can be downloaded from our website
 - In 2017, we have published:
 - 2 business reports (The French Pharma Market 2016 – 2022 – The French Generics Market, incl. Biosimilars)
 - 7 position papers in the “Smart Manager Series” and in the “Best-in-Class Series”
 - Our research activities in pharma business management and our consulting activities have shown to be highly synergistic
 - We expect that this new publication will interest you and we remain at your disposal to carry out consulting projects or training seminars to help you improve your strategic thinking
- Best regards
- Jean-Michel Peny