

Big Pharma: Leveraging for an Efficient R&D Organization

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Big Pharma is on a “Burning Platform”. R and D expenditures are rising, new drug approvals are not keeping pace with R&D expenditures, patent expirations are leading to decreased revenues, price and regulatory pressures are increasing and late stage failures are becoming more common. This has resulted in a wave of acquisitions, cost cutting, increasing reliance on external innovation and new ways of developing pharmaceuticals to improve the probability of success including an increased reliance on early decision making, biomarkers and early proof of concept studies. Diversification to reduce pipeline risk includes modalities, biosimilars, best in class, and diversification to things other than patented pharmaceuticals. Various organizational models to drive innovation are being used including attempts to incorporate a more entrepreneurial atmosphere. Some solutions to Big Pharmas’ issues will be discussed including the importance of translational medicine and innovation outside of big Pharma, all of which are opportunities for the biotech sector.