

Case Example: Asset Valuation

Situation

- Trinity has established long-standing relationships with several pharmaceutical and biotech firms which rely on us to objectively, efficiently and consistently evaluate assets for potential L&A activity.

Approach

- At Trinity, we believe that identifying and securing the right deals for our clients involves more than just crunching numbers. To that end, we designed and leverage the “3C’s” framework for asset valuation, focusing on clinical differentiation, commercial opportunity and company fit:



- Key Issues:**
 - Efficacy endpoints
 - Safety / tolerability issues
 - Dosing / formulation availability
 - Improvement in disease management
 - Ability to satisfy unmet needs

- Key Insights:**
 - What differentiates the asset from other available agents?
 - What value does the agent add to the treatment armamentarium?
 - What is the most likely patient composition?

- Key Issues:**
 - Unmet needs
 - Forecast value (peak and cumulative)
 - Net present value (NPV)
 - Risk evaluation
 - Pricing assessment
 - Competitive positioning

- Key Insights:**
 - What is the anticipated market value of the agent?
 - What is the selling “hook” for the asset and how does it compare to the competitive landscape?
 - What is the optimized entry strategy and what does it cost?

- Key Issues:**
 - Portfolio fit
 - Cannibalization
 - Synergies
 - Short- and long-term vision alignment
 - Marketing & selling alignment
- Key Insights:**
 - To what extent does the asset compete with or complement pre-existing components of the portfolio?
 - How can current infrastructure (selling and marketing) be leveraged in promoting the new product?

Result

- Trinity has contributed to dozens of successful in-licensing opportunities and has advised clients on hundreds of additional opportunities. We hold ourselves accountable for our valuations, which has helped us to establish long-standing relationships as part of our clients’ new business development teams.