

Advantages of Outsourcing Business Development Support

From the advent of key terms negotiation to agreement closure, the pace of the biopharmaceutical business development transaction can be characterized as “stop / delay / re-start”. Business development activity, while intensive when the ball is in your court, temporarily halts when the counterparty is in the deal’s critical path. The reality is that business development personnel can spend weeks or even months of their time waiting for a response from the other side. For example, here is a chart of “document turns” from a client’s recent experience with a top-tier pharmaceutical firm.

CLIENT, **** turnaround times		CLIENT	****
Event	Date	Days since prior event	Days since prior event
**** submits 1st term sheet	[Redacted]		
CLIENT sends counter to 1st **** term sheet	[Redacted]	7	
**** responds with 2nd term sheet	[Redacted]		12
CLIENT sends counter to 2nd **** term sheet modifying license structure to accommodate ****	[Redacted]	28	
**** takes issue with complexity of CLIENT proposal	[Redacted]		45
CLIENT proposes 3rd term sheet	[Redacted]	7	
**** requests modifications to milestone payments	[Redacted]		5
CLIENT submits modified 3rd term sheet	[Redacted]	2	
**** attributes delay to unavailability of senior level executive: subsequently, **** advises CLIENT of potential conflict vis-à-vis Third Party	[Redacted]		28
CLIENT requests continuation of financial terms discussion while potential conflict is investigated	[Redacted]	9	
**** indicates it will respond on financial terms	[Redacted]		14
CLIENT shares valuation research with ****	[Redacted]	3	
**** indicates it will wait to respond on financial terms pending resolution of potential conflict	[Redacted]		5
**** indicates it is still waiting for response from Third Party	[Redacted]		5
**** responds on financial terms, offers 4th sheet	[Redacted]		34

For small companies with only a few mission-critical deals to execute that have placed a BD executive on staff, the intermittency with which VPBD skills are needed translates to extraordinary expenses: recruiter fees, executive level base and above-base compensation, etc. Without detriment to the execution of mission-critical transactions, the expenses that result from waiting periods in the deal cycle can be significantly reduced. While a deal may be temporarily inactive, Collabrity is not. Thus, Collabrity’s clients efficiently share the cost of the business development talent they require: [superior results, cost-effectiveness and flexibility.](#)

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