

Notes from Project Mangement Network 23 October 2007 at Active Biotech, Lund

Participants: Active Biotech, Alligator, Ambu, BioInvent, Capio, Cartela, CNE Proces, Galenica, Nordic Vaccine, Novo Nordisk, Novozymes, TrialFormSupport, Ventac and MVA Plus a guest from Micromuscle AB in Linköping (Gert Kindgren).

Active Biotech AB is close to Ideon in Lund. Dorthe Thrige and Mats Hansen informed about the company and their clinical candidates (phases pre I-III), which mostly are developed in collaboration with external partners (www.activebiotech.com).

Theme: Outsourcing- Compare the views from the buyers and the service providers

Buyers:

Our hosts, Active, talked about their wish to act as educated customers versus providers of manufacture and preclinical or clinical services. This requires in house knowledge in various fields, e.g. a tox team. BioInvent has in house experience of being a service provider but is now a buyer of e.g. tox and clinical testing. They also meet the service providers with in house specialists. Small companies (Cartela, Nordic Vaccine) do not always have these possibilities and use consultants and CROs as a source of competence. Lars Hedbys- who is a former site manager of Astra Zeneca in Lund- commented on the development of AZ to a strong outsourcing organisation. (See also the PMN meeting in February 2006 with Jan Matsson, responsible for clinical outsourcing for AZ in Sweden.) Ambu is a big medtech player with 300 employees in Denmark. They search providers of electronics and new product ideas, and have a strategic purchasing department (however, not yet for R&D).

Sellers:

TFS talked about the difficulties in writing tenders covering complex clinical trials. They also pointed out the wish to form long relationships, which requires professionalism and no overselling to small companies. Sign off is performed at a high level in the company. Novozymes Biopharma stated that PMs and specialists are required already during the sales process, which can take 6-12 months. Also Capio mentioned the need of an early dialogue with the potential customer to establish a good cost estimate and later a good output. It is not unusual that CROs are close to becoming project managers for small companies, either as a "free" service (part of the later deal) or as a paid pre-study service (CNE) which then may serve as a basis also for buying from other providers.

Finally, there was a discussion on contracts limited in time versus limited by activity. Some want systems with bonus or penalty for activity achieved per time (e.g. patients included in clinical studies). Our guest from Linköping offered his experience in never giving a fixed price to a buyer with little competence in the field in question.

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