

REIGNITING VALUE IN ESTABLISHED BRANDS

When established brands invest in an innovative model utilizing existing dedicated resources, can an increase in trajected revenues be achieved?

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Introduction

An established brand is an in-line product that is promotionally sensitive but does not require significant investment or attention from commercial teams. In return, these brands generate stable patient adherence through those who have a long-standing history of product utilization and, therefore, gaining medical benefits from these treatments.

Revenue generated from established brands is crucial and often used by biopharma companies to reinvest in clinical development, disease state education and other critical efforts that translate to improved healthcare value for patients, providers and payers.

Market Conditions

Established brand portfolios steadily decline in revenue year over year until exclusivity is lost. When healthcare systems abruptly altered standard operations to accommodate COVID-19 restrictions and treatment, this decline accelerated. Over the last

two years we have observed a substantial decrease in utilization and patient access for established brands, making them vulnerable to negative financial implications that are difficult to rebound from.





In a recent study, EVERSANA™ analyzed a sample of established brands to understand the financial impact they experienced during the pandemic. The results indicated a massive revenue decline, resulting in a loss of \$3.9B+ of revenue in a nine-month time frame.

The pandemic’s lasting effects on established brands’ value remain unknown; however, standard declines in trajected revenue and increased market complexities illustrate a need for a new model to maximize the value of these brands.

Options to Change Revenue Trajectory

Manufacturers have several options available to change the revenue trajectory and maximize the value of their established brand portfolio.

Fig 1: Optimizing the Value of Established Brands: 4 Commercial Strategies

	<p>DIVEST</p> <p>Select assets are sold or licensed to other pharma companies</p>	<p>MAINTAIN BUSINESS</p> <p>Retain assets but requires continued CapEx/OpEx to limit erosion</p>	
	<p>RESTRUCTURE</p> <p>A separate business to focus exclusively on established products</p>	<p>MAXIMIZE VALUE</p> <p><i>Partner with EVERSANA for a renewed focus on life cycle management</i></p> <ul style="list-style-type: none"> • Deploy integrated commercialization solutions tailored for mature brands • CapEx and OpEx reduced • Enables focus on core • Risk: Low • Reward: High, Optimize financial performance 	



Option 1: Divest

Companies sell their established assets to secure initial value. This also allows the company to repurpose internal resources to other aspects of their portfolio they feel will yield a better return for their efforts and add significant patient value. The downside to this option is that selling these established brands at depressed revenue levels will lead to suboptimal values in return.



Option 2: Restructure

Companies create a separate business to focus on their established brand portfolio. Companies will restructure existing internal resources to place a focus on struggling brands when experiencing financial duress. A change in resources does not necessarily equate to superior use of resources.



Option 3: Maintain

Companies maintain their established brand portfolio. Through this option, they continue to receive reliable annual revenue from these assets even if it is deteriorating over time. The degree of investment and internal attention may continue to be modest for these brands, but certain companies may feel this is sufficient for their expectations of these products.



Option 4: Maximize

EVERSANA™ REIGNITE Commercialization to maximize the value of late-stage assets – Companies resolve the issue directly by shaping and executing a path to change the projected performance of these

brands. As a result, they generate significant value from clinical and financial perspectives, utilizing resources already dedicated to the brand.

Maximize Value with EVERSANA™ REIGNITE Commercialization

- ✓ Deploy integrated commercialization solutions tailored for established brands
- ✓ CapEx and OpEx reduced
- ✓ Enables focus on core
- ✓ Low risk
- ✓ High reward: Optimize financial performance

Depending on the market characteristics of each brand, a potentially high return-on-investment tactic can be deployed to blunt the revenue impact these brands are experiencing and reverse their revenue trajectory. The key is to understand how to restore these established in-line brands without drawing too much from internal resources and without wasting productivity on strategies and tactics that don't meaningfully move patient access and adoption.

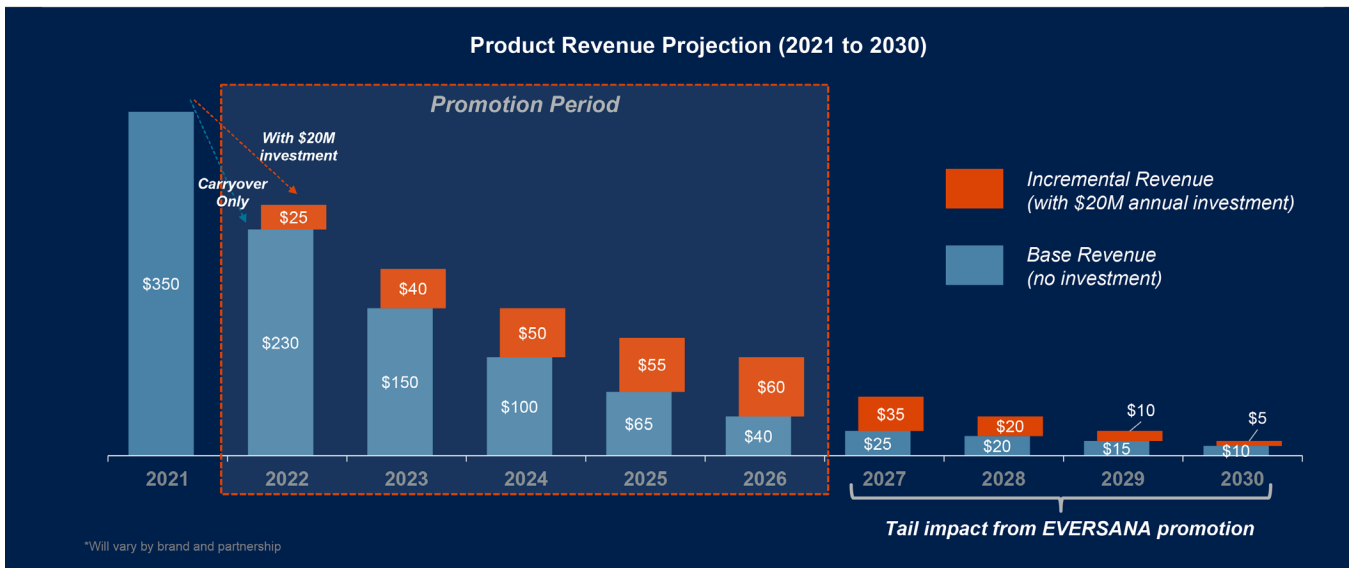
EVERSANA™ REIGNITE Commercialization Actual Use Case

EVERSANA reviewed a comprehensive number of established brands and implemented the EVERSANA™ REIGNITE Commercialization model to slow financial loss and make a positive impact on revenue. With a combined investment, these established brands experienced 1:3 to 3:6 return-on-investment ratios.



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Fig 2: EVERSANA™ REIGNITE Commercialization’s Partnership Example for Life Cycle Management



With a \$20M annual investment for 5 years (\$100M), the brand could see an incremental \$300M in sales

Conclusion

Biopharma companies must reconsider their established brand strategy to avoid preventable financial loss. With EVERSANA™ REIGNITE Commercialization, companies can change the trajectory of these product portfolios to generate economic and clinical value for the healthcare system.

About EVERSANA™



EVERSANA is the leading provider of global commercialization services to the life sciences industry. The company’s integrated solutions are rooted in the patient experience and span all stages of the product life cycle to deliver long-term, sustainable value for patients, providers, channel partners and payers. The company serves more than 500 organizations, including innovative start-ups and established pharmaceutical companies, to advance life sciences services for a healthier world. To learn more about EVERSANA, visit EVERSANA.COM or connect through [LinkedIn](#) and [Twitter](#).

