

LaVoie Group Newsletter

The Acknowledged Leader in Life Science Communications

WINTER 2005/2006

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LaVoie Group is a proud sponsor of Sachs' 5th Annual North American Forum for Investors & Partnering in Biotech and Medtech, March 13 -14, 2005 in Boston, MA, USA. Clients of LaVoie Group will enjoy a discounted presentation rate.

Contact us for more information.

[For more information on the Sachs Forum](#)

Happy holidays to all of you from all of us at LaVoie Group!

The technology sector is predicting an extension of its recent IPO push into 2006. But, in the technology sector, the deals that have been completed have not been open to the more "speculative" companies. While public markets may be the preferred choice for exit by company management and the venture community, there are an anemic number of life science companies successfully getting out. This may also be due to the "speculative" nature of developmental stage life science companies. The weak performance of the overall equity markets has not helped. Also, of those that have completed IPOs, many have underperformed in the after market.

What is the secret sauce? Is the key to valuation as simple as the stage of development of your lead product(s)? We think not. Recently, there have been a number of examples of big pharma licensing earlier stage products (before Phase 2) and paying up to obtain access. Further, there are always exceptions, such as strongly-branded companies with early stage products that have data to support a change in the treatment paradigm or a new way to treat a range of diseases. These companies usually enjoy a better than average valuation.

Institutional investors want high growth, but will they accept the instability of development stage companies? We think that the after market data speaks for itself. Most institutional investors want liquidity and will wait for yet the next milestone before taking a major position. Also, the sell-side will continue to cover major disease categories such as cancer, HCV and companies with the brand value to generate significant trading.

Sincerely,



Donna L. LaVoie
President & CEO

Part 2 of 2: Your Company Exited: What Now?

Because of the institutional investor focus toward more mature companies with liquidity, exit strategies for many companies today are focused on M&As, since pharma may be willing to pay more than the public markets will. Some companies will utilize a reverse merger or the new Special Acquisition Vehicles (SPACs) as a way to access the public markets. While a reverse merger or a SPAC provide a company a public listing, the challenges remain the same.

Irrespective of how the markets perform or what the latest trend is, how do I position my company to successfully increase valuation?

Getting Your Products/Technology Known. There is no better way in which to get your products/technology known than to combine your business development, corporate communications and public relations efforts. Utilize important partnering meetings to get your message(s) out. Another approach is to develop a medical/scientific timeline of potential data releases and presentation opportunities at key relevant scientific/medical meetings over a 12-18 month period. Be sure to check with legal counsel on whether your IP is covered prior to launching into this plan. Determine potential high-level message points that could be used in a headline to appeal to both the media and potential partners. The goal is to simplify the message enough in your corporate communications so that your product, your approach and/or technology is understood, covered and eventually known. Don't be afraid to communicate pre-clinical studies. Work your development plans into your messages. Use trends to help further position your company for potential story angles. Motivate your team to publish their work in key journals covering your space. Then, appropriately communicate the release of your publications in journals to key constituencies and thought leaders.

Utilize Your Scientific Advisory Board (SAB). If you have a SAB, use it. If you don't, then use your resources to put a strong one in place to provide you with the appropriate level of understanding of what to expect from your pre-clinical and clinical trials. SABs can be very helpful in giving companies feedback on what else is happening in the field and how your product could be used in the clinical setting. Further, as your pipeline progresses, they can be helpful as spokespersons and to influence other key opinion leaders.

Be Ready for the Questions. Whether you are presenting to bankers, potential pharma partners, institutional investors or venture firms, you need to be ready for the Q&A. The manner in which you answer key questions may ultimately determine how your company will be valued. Bring your management team together, along with your corporate communications, IR and PR experts to rehearse answers. Document the answers so that everyone is on the same page. It is not enough to explain your product, indications and development plan. You will need to be able to answer mechanistically how your drug or product works, what other products it could work in combination with and how you envision it will fit into the current treatment paradigm.

If you'd like to know more about how LaVoie Group can help you with these strategies and tactics, please contact us!

LaVoie Group Adds IBEX to Client Roster

LaVoie Strategic Communications Group, Inc. (LaVoie Group), a specialty public and investor relations life science consulting firm announced that it has added IBEX Technologies (TSX: IBT), a biopharmaceutical company using its expertise with biomarkers for the development of therapeutics and diagnostics for the management of cancer and arthritis. IBEX's diagnostics business successfully markets a series of products: including proprietary glycobiology enzymes (heparinases and chondroitinases), which are used by leading medical device manufacturers to monitor hemostasis in a broad range of clinical settings, novel assays and antibodies which are used to diagnose and predict disease progression in rheumatoid and osteoarthritis, and Kallikrein-based assays for ovarian cancer research. For more information, visit www.ibex.ca.