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# Effective Integration Is The Key To BD Success For Ipsen

by [Lucie Ellis-Taitt](#)

At the 2023 BIO-Europe conference, *In Vivo* sat down with Ipsen's EVP and chief business officer, Philippe Lopes-Fernandes, to discuss the company's business development strategy and future goals.

"We are not looking for a cheap deal, we are looking for the right deal." This is the mindset for Ipsen's chief business officer, Philippe Lopes-Fernandes. He is leading the charge for Ipsen's deal-making strategy, as the company seeks growth in a disrupted pharma market.

Ipsen, a pureplay pharma company, does not have an internal discovery machine. It uses an external development model. "We are different from other players," said Lopes-Fernandes.

In the most recent Scrip 100 ranking, a league table of the top 100 global biopharma companies according to pharmaceutical sales, Ipsen is comfortably mid-table at 48th. But the company has hopes to grow, and has set itself significant targets. It is expecting total sales growth greater than 6% at constant exchange rates for FY 2023 and has been making waves due to its prolific deal stream in the past two and a half years.

Ipsen has been one of the most active drugmakers on the business development front. Between 2021 and 2023, through a combination of licensing deals and acquisitions, Ipsen has added more than 20 assets to its pipeline across its three core therapy areas of oncology, rare disease and neuroscience. Ipsen won Business Development Team Of The Year at the 2023 Scrip Awards. The judges commented, "Ipsen's BD team has done an excellent job of accelerating the deals with deep insights and a powerful cross-functional team."

According to data from Evaluate Pharma, Ipsen's current pipeline includes 52 assets (preclinical to marketed) that were licensed or acquired.

The pharma's activities are global, with around 35% in North America, 30% in Western Europe and the rest split between other global regions including China and the Middle East.

Despite a tough market prevailing in 2023 and into 2024 for biotechs worldwide, Lopes-Fernandes said Ipsen was holding firm on what it is looking for. "The market is crazy, but the fundamentals are right," he said.

Breaking down the company's BD goals, Lopes-Fernandes said it was seeking assets at different stages, for example those able to reach the market within five years and those coming forward in 5-10 years. It also has a keen eye on earlier stage projects that are unlikely to see a product reach the market for 10 years or more. "This is something that we don't want to miss, because they are great innovations. We want to prepare for the long-term future, we're not in just for the short-term."

Some market spectators are predicting a resurgence in M&A deals in 2024, particularly for larger deals. While Ipsen has the firepower to go bigger in its M&A approach, the company is cautious. "The goal is not to do bigger for bigger, the goal is to talk about how can we accelerate innovation."

He added that the company would "put money in if we need to," in order to close a deal. But he highlighted the importance of gaining resources and knowledge, alongside assets.

"We try to ensure that we believe in the science and that it has commercial potential and will be possible on a global basis," Lopes-Fernandes explained. "We look at the strategic fit and how Ipsen can maximize on, and accelerate, the product's development and potential."

Ipsen is sticking with what it knows in the small and large molecule space, while steering clear of areas like cell and gene therapy, "for now," Lopes-Fernandes noted.

## **M&A Deals**

The French firm secured impactful M&A deals in 2022 and 2023 that have added new marketed and development assets to its pipeline.

[\*Click here to explore this interactive content online\*](#) ✨

Ipsen acquired AstraZeneca spin-off Albireo early in 2023, paying \$952m for the company and its bile acid modulators headed by Bylvay (odevixibat). The once-daily, oral ileal bile acid transport inhibitor is approved for pruritus in progressive familial intrahepatic cholestasis (PFIC) patients. (Also see "[\*Ipsen Eyes Opportunity In Rare Liver Diseases With Albireo Buy\*](#)" - Scrip, 9 Jan, 2023.)

Ipsen also gained clinical-stage asset A3907, an oral systemic apical sodium-dependent bile acid transporter inhibitor in development for adult cholestatic liver disease, such as primary sclerosing cholangitis. Albireo's preclinical pipeline included A2342, an oral systemic sodium-taurocholate co-transporting peptide inhibitor, which is moving ahead in investigational new drug-enabling trials.

In 2022, Ipsen paid \$247m up front to acquire Epizyme. The deal centered around Tazverik (tazemetostat), a first-in-class EZH2a inhibitor which was granted accelerated approval by the US Food and Drug Administration in 2020. It is indicated for relapsed/refractory follicular lymphoma in patients whose tumors have an EZH2 mutation and have received at least two prior systemic therapies and for epithelioid sarcoma in patients who are not eligible for surgery.

The purchase also included a \$51m contingent value right offer if sales reach \$250m in regions outside Japan and China in any period of four consecutive quarters by the end of 2026 and a further \$119m CVR related to US approval of Tazverik for second-line FL by 1 January 2028.

Tazverik is in a Phase III study called SYMPHONY-1 in combination with rituximab and lenalidomide in patients with relapsed/refractory FL who have received at least one prior therapy. Initial results are planned to read out in 2026. (Also see "[Ipsen Hungry For More Deals After Swallowing Epizyme](#)" - Scrip, 27 Jun, 2022.)

## What Success Looks Like

"Our crystal ball is no better than anyone else's ... but we don't fail, we learn," said Lopes-Fernandes. When assessing a deal, "We look for a really integrated dialog with a potential partner, we want the view from the originator on the strengths and weaknesses of a product – and every program has weaknesses."

He said the most important part of Ipsen's BD strategy was to be a balanced partner. "Whether we do an early-stage deal or late-stage acquisition, we want to keep the expertise from the origin. We want to really leverage that knowledge because we know that the next steps are going to be difficult. Without this expertise, combined with our expertise, it's going to be much more challenging to bring an asset to patients."

Lopes-Fernandes cited one of Ipsen's recent acquisitions and the integration of this company into the pharma business. He noted that at first the talks leant towards "synergies." But what was important for the success of the integration was alignment. "We need the expertise. We're not looking to get rid of people [after a deal has closed], it's the opposite. We want to make sure that we've working together effectively."

## Getting To Grips With AI

Artificial intelligence was the buzzword at BIO-Europe in 2023, with many panelists citing its

importance for the future of the industry. Lopes-Fernandes said, “We know that AI is going to be an important tool in the future, at all stages of the pharma discovery, development, getting to patients. It will help us do more faster.”

Still, he warned that it was just a tool. “It's not going to replace all the people around the table, but it will give us an edge and help us ask the right questions.”

“When you look at the way we are doing business, the probability of success of a Phase I company is the same now that it was 20 years ago. How can that be, with all the improvements implemented through computers, AI, machine learning and what we've learned?” he questioned. “That's definitely something where AI can play a role.”

Ipsen is working internally and with external sources on its use of AI and machine learning tools. “We're still in the process of making sure that we can distinguish the buzzwords from the real improvements,” the CBO said.