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## Highlights: Q1, 2019

We are pleased to share Fletcher Spaght's First Quarter Highlights, summarizing recent achievements within our specialized consulting practice groups. We appreciate your continued interest and support.

### HIGH TECHNOLOGY PRACTICE

#### **Training Software**

Assessed the value proposition of client's software which streamlines training for its service customer sites and their teams through an analysis of the performance of customer sites using the training software *vs.* those that did not; analysis evaluated degree of site compliance with/deviation from protocols, site satisfaction and impact on throughput; findings included recommendations for marketing and product development.

#### **Predictive Analytics**

Assisted a predictive analytics solution provider with developing their growth strategy to expand from their healthcare provider base of business into the payer market; insights gained from in-depth interviews with payers focused on understanding their needs for predictive analytics, the fit of FSI's client's solution with their needs, key elements driving buying behavior, the competitive landscape and resonance of FSI's client's value proposition; findings led to an Action Plan to achieve growth goals.

### HEALTHCARE PRACTICE

#### **Clinical Decision Support**

Analyzed ICU economics across three European markets as a foundation for understanding the potential pricing parameters for a novel clinical decision support system; proposed system has the potential to shorten time on ventilation as well as reduce length of stay; findings incorporated detailed analysis of the clinical literature and other publicly available data as well as site-specific input.

### HEALTHCARE PRACTICE (cont'd)

#### **Peritoneal Dialysis**

Assessed the market for peritoneal dialysis (PD) in the U.S., Mexico and selected markets in Asia; effort included in-depth interviews with nephrologists and policy experts, as well as primary market research with nurse-managers and practice and facility administrators; primary research was complemented by a detailed review of the clinical literature and public data; topics discussed included the current perspectives on, and utilization of, PD *vs.* hemodialysis, trends in PD *vs.* hemodialysis use and why, use drivers of PD for clinicians, patients and from a policy perspectives; findings and recommendations included a framework to understand technology selection and strategies to impact dialysis technology preferences in the geographic areas of focus.

#### **Outpatient Surgery**

Assessed the changing market landscape for facility-based outpatient surgery across multiple surgical specialties including sports medicine, spine/orthopedics and ENT surgery; effort included in-depth primary research with both owner and non-owner surgeons at Ambulatory Surgery Centers, other key clinicians and facility administrators; areas of focus included clinical unmet needs, patient selection, reimbursement satisfaction and challenges, availability of experienced clinical procedure support personnel, and discharge planning and related support services.

#### **Genetic Data in Psychiatric Drug Development**

For a company with a database of genetic data, assessed the market opportunity for use of genetic data to support psychiatric drug development; conducted comprehensive interviews with pharmaceutical companies to understand the potential applications for, and value of, genetic data in mental health drug development, determined types of genetic characterization (WGS *vs.* WES *vs.* GWAS) that would be valued, as well as other data, *e.g.*, clinical history, outcomes, that would be needed in order to potentially increase the value, and use, of the existing dataset; effort resulted in a growth strategy to achieve the identified potential.

### HEALTHCARE PRACTICE (cont'd)

#### **Spinal Implants**

On behalf of a strategic investor, evaluated the market opportunity and competitive landscape of a novel minimally invasive treatment for lumbar spinal stenosis; efforts included in-depth interviews with spine surgeons and interventional pain management specialists as well as a thorough review of the medical literature and other secondary sources; preliminary findings were further tested through a comprehensive quantitative internet survey to better understand segmentation along key market and practice parameters.

#### **Cell Therapy Manufacturing**

Conducted a market assessment in the context of evaluating company strategy and competitive position in cell therapy manufacturing; effort included comprehensive interviews with manufacturing leaders at biotech/ pharmaceutical companies to understand the need for adherent cell culture vendors, and to understand the selection metrics, and relative importance of each factor, for outsourcing process development and cell therapy manufacturing; findings included an estimate of the market potential for outsourced adherent and non-adherent cell therapy by clinical phase and for commercial production.

#### **Electrophysiology**

Conducted a detailed pricing study for the developer of a new imaging modality designed to assist in guiding electrophysiology procedures; context was set through a comprehensive review of the medical literature and a review of existing and in-development competitive solutions as well as structured input from FSI's client's key sales, marketing and R&D personnel; market and pricing insights were gathered from in-depth interview with physicians regarding the received clinical value of the new modality relative to other solutions and within the context of prices paid for modalities currently in use; market data complemented by information from Certificates of Need which included competing systems; findings included recommendations for list prices for components of the client's product offering.

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## ***HEALTHCARE PRACTICE (cont'd)***

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### **Biologics Process Development/GMP Production**

Performed due diligence on behalf of a private equity investor on a process development organization entering the market for GMP manufacturing; insights gained through in-depth interviews with leaders in pharmaceutical manufacturing to understand how they prioritize and select partners for process development and GMP manufacturing for protein therapeutics; findings formed the key inputs to the development of a market model for the target's business in process development and in Phase I and II GMP production.

### **Business Planning Education and Coaching**

On behalf of a leading academic center of excellence, provided direction and support for a select group of Principal Investigators (PIs) with promising, and potentially commercializable, early stage inventions and insights; assisted each PI with the development of a concise and compelling summary of their work complemented by one-on-one coaching to enhance their presentation skills; effort is part of a program to introduce the PIs to commercial funding sources that could advance their work into the clinic and beyond, as well as in preparation for potential out-licensing opportunities

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## ***CORPORATE GROWTH PRACTICE***

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### **Supplies Distributor**

Conducted a market assessment of needs and trends, as well as a landscape analysis which incorporated client and customer perceptions of market players; findings used to inform a review and analysis of the business strategy for a key industry player considering strategic options including potential areas of focus, business models to consider, existing and potential services to differentiate FSI's client to customers and to potential new accounts, pricing options/algorithms, and private label trends; effort also included an assessment of customer and non-customer satisfaction with their current distribution relationships and likelihood to switch distributors under selected scenarios.

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## ***FSI PRACTICE GROUPS***

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**High Technology:** Internet, software, electronic commerce, communications, networking, hardware, services, *etc.*

**Healthcare:** Healthcare informatics, devices, healthcare information technology/services, diagnostics, therapeutics, services, *etc.*

**Corporate Growth:** Mature business transformation, growth options, profit improvement and acquisition support.

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## ***FSI STAFF***

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The professionals of FSI have expertise in both strategy consulting and the industries on which we focus. To facilitate our international assignments, members of our staff are fluent in the major European languages and Chinese (Mandarin).

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## ***THE FSI SERVICE OFFERING***

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- Strategy Consulting
- Growth Initiatives
- Market Research
- Competitive Intelligence/Analysis
- Investment Due Diligence
- Technology Commercialization
- Corporate Partnering

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## ***FOR FURTHER INFORMATION***

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**FLETCHER SPAGHT, INC.**

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