

## Protecting Biotech Interests when Faced with Takeover Bids



### Future Proofing: Pipeline & Revenue

Listed commercial-stage biotechs are prime assets for pharmaceutical companies looking to fill the pipeline and secure future revenue. Share price fluctuations generally mean the time is ripe for prospective acquirers to make unsolicited and opportunistic bids. Given that current volatile market conditions look set to continue for the foreseeable future, biotechs that want to ensure shareholders are delivered maximum value should 'be ready'.

Preparation is key to a biotech protecting its interest and retaining leverage in negotiation. Use this checklist to check your company's readiness:

- ✓ **Understand your position:** It's crucial to have a clear understanding of your company's current position in the market and a realistic valuation, which includes being aware of the value of your product portfolio, IP rights, and pipeline.
- ✓ **Develop a clear strategy:** Know what you want out of a deal and have a clear strategy for achieving it. This could involve remaining independent, finding a partner for co-development, or being fully acquired.
- ✓ **Secure key talent:** Human capital is a major value center in biotech. Retain your key researchers and other staff through employee contracts and incentives.
- ✓ **Due diligence preparation:** Be prepared for intense due diligence by having all necessary documents and information readily available. The ability to move quickly will be an advantage.
- ✓ **Protect IP:** Intellectual property is usually the key value driver for acquirers. Ensure you have robust protection for your IP and that patents are secure.
- ✓ **Regulatory awareness:** Understand the regulatory environment and any restrictions that could impact the rapid progress of the deal in relevant markets.
- ✓ **Strengthen your negotiating team:** Create a team of experienced negotiators who understand the industry and the intricacies of M&A deals, especially in relation to regulation, merger control, data and IP.

### Other Resources

- [Life Sciences Transactions](#)
- [Pharmaceuticals & Biotech](#)
- [Data PULSE](#)
- [Talking M&A](#)

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