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GOVERNMENT AGENCIES EXAMINE HOW HEALTHCARE IS CHALLENGING TRADITIONAL ANTITRUST MODELS

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Our academic experts continue to be at the forefront of contributors shaping some of the country's most important public policy discussions. Recently, Rena Conti, associate research director of the Institute for Health System Innovation and Policy at Boston University, and Luba Greenwood, lecturer in Engineering Sciences at Harvard University, spoke on a webinar co-hosted by the United States Patent and Trademark Office (USPTO) and the United States Department of Justice (DOJ) on the role of intellectual property (IP) in promoting innovation and pro-competitive collaboration in the life sciences sector. Featuring over 40 experts from both industry and academia across the healthcare, regulatory, and pricing spaces, the webinar, *Promoting Innovation in the Life Sciences Sector and Supporting Pro-Competitive Collaborations: The Role of Intellectual Property*, covered the rapidly evolving collaborations between biotech and pharmaceutical companies, and how they may be vulnerable to anti-competitive effects and antitrust risks in the U.S.

Speaking on two separate panels, both Keystone experts highlighted the rapid changes within the life sciences sector in the U.S. Both also offered prompt and necessary suggestions for changes in governance to advance competition and promote innovation across the healthcare industry.

Agile Biotech Companies Helping to Drive R&D Across Big Pharma

Luba Greenwood is an expert in digital health and innovation in the life sciences space, notably having served in leadership positions at Roche and Verily. In her panel, she covered the increasing importance of biotechnology companies as key drivers of innovation across healthcare. Pulling from her years of research, she highlighted how these smaller, digital platform-based biotechs have become a valuable source of R&D for larger pharmaceutical companies. Because of their siloed infrastructures and dated operating models, big pharma has seen inefficient pipelines and longer development periods. As a result, the smaller, more agile biotechs have become strategic targets to help improve the R&D pipeline of the bigger players in the pharma space.

Professor Greenwood further emphasized the role that technology and big data may play in the life sciences sector in the future. "Other trends include [...] large data aggregators competing with biotech companies themselves. [Already] you can see this in the AI-enabled biotech companies emerging. This will change how medicine is discovered, how it is made, and how it is sold," she said.

Moving Antitrust Beyond Product-by-Product Analysis

Rena Conti, an expert on pricing, demand, and supply of prescription drugs, echoed Greenwood's idea that innovation capabilities stem beyond the granularity of the products themselves. During her panel, Professor Conti, a research director at Boston University, noted that innovation is happening in other non-traditional areas, making non-product Intellectual Property assets, such as trade secrets and manufacturing agreements, more valuable to pharmaceutical companies. She cautioned the regulators against reviewing antitrust matters in terms of just product-by-product analysis, noting that, "there are some examples of killer acquisitions [by a larger company of a smaller company] where innovative products have been

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purchased to foreclose competition in space or promote a monopoly.” Some examples here include leveraging another player’s IP as well as their manufacturing capabilities.

If you are interested in learning more about Keystone’s healthcare technology practice or connecting with experts Luba Greenwood and Rena Conti, email Colleen Carroll at CCarroll@keystonestrategy.com.

Luba Greenwood, J.D., is a veteran biotech and tech investor and company builder. She recently served as an executive at Google Life Sciences (Verily) and as Vice President of Global Business Development and Mergers & Acquisitions at Roche. Luba has led \$5B+ in deals and investments across multiple therapeutic areas, life sciences, and tech sectors.

Rena Conti, PhD, is a health economist who serves as the Associate Research Director of Biopharma & Public Policy for the Boston University Institute for Health System Innovation & Policy and also teaches as an Associate Professor at the Boston University Questrom School of Business. Rena’s research has focused on the organization, financing, and regulation of medical care. She has written extensively on the pricing, demand, and supply of prescription drugs. Recently, Rena’s research has focused on innovation and supply for COVID-19 vaccines and treatment.