

Research and Consulting Services for Healthcare Organizations



Jon Williams - CEO

Evidera is one of the preeminent commercial entities analyzing effectiveness, establishing evidence, and substantiating value of health treatments within the global health industry. Through its market-leading portfolio of health economics, outcomes research, market access, data analytics and epidemiology services, it partners with life sciences organizations worldwide to optimize the market access and commercial success of their products. With an exceptional reputation and premium capabilities, we leverage our unparalleled knowledge of the global payer and regulator landscape and by developing, capturing and communicating the clinical and economic evidence that our clients require to successfully market their products. Our research and consulting services are driven by world-class science and thought leadership and leverage a unique combination of capabilities.

Interview conducted by: Lynn Fosse, Senior Editor, CEOCFO Magazine

CEOCFO: Mr. Williams, what is the focus at Evidera?

Mr. Williams: In order to bring pharmaceuticals and devices to market, there are two fundamental evidentiary hurdles that need to be cleared. One is a regulatory hurdle where evidence of safety and efficacy is required for FDA and EMA approval. The second is a payer hurdle where evidence of value and, once on the market, effectiveness is required to support market access and reimburse. Evidera's focus is on helping healthcare organizations, including pharmaceutical, biotech, device manufacturers and payer systems/ ACOs – understand and demonstrate the value of their products.

CEOCFO: What do you understand at Evidera about the process that others do not?

Mr. Williams: I do not know that we understand anything different that others do not. I think we approach things differently from how others do. Specifically, we believe there is value in having a range or complimentary assets and capabilities all under one roof. Evidera is comprised of health economics, outcomes research, market access consultants pricing s and epidemiology teams, whereas most of our competitors will have one or maybe a couple of those capabilities. By having them all together, it allows us to partner with our clients and develop solutions that bring to bear two or more of those capabilities in an integrated fashion. To provide an example, if a client is trying to bring a new product into the already crowded hyperlipidemia market, we can engage them reasonably early in the life cycle of their product, say in phase two. We can help them understand what the evidentiary needs are likely to be not just in the US but in every market in which they plan to sell their product. We can help them understand the commercial and evidence trade-offs of targeting different patient populations and then help them develop an evidence roadmap that maximizes the value of their product. We can then help them generate the required evidence. As they get closer to the launch of their product, we can help them develop the communication and engagement tools to substantiate the value of their products in every geography in which they plan to launch their product. We are a full service product strategy, health economics, outcomes research, epidemiology and market access shop. We are able to span that entire evidence continuum of strategy to development of evidence and ultimately the delivery of that evidence, whereas very few of our competitors are able to do that.

CEOCFO: Did you start with all the various disciplines or did that develop as you started to conduct business and realize you needed to add to what you have available?

Mr. Williams: It developed over time. Before there was Evidera, there was a company called UBC, United Biosource Corporation, which was also founded in Bethesda, Maryland. UBC grew through more than twenty acquisitions over roughly a decade, roughly six of which formed the foundation of Evidera. The first acquisition was a company called MedTap. In 2003 when it was acquired by UBC it was the largest health economics and outcomes research group in the world. That formed the basis of UBC, and it now forms the basis of Evidera. UBC was acquired by Medco, a large pharmacy benefits manager (PBM), in September 2010, and Express Scripts, another large PBM, acquired Medco in April 2012. After that, Express Scripts decided most of UBC was not relative to their core business, and divested three of the four sets of businesses. We are one set of those businesses that was sold. We were acquired in July 2013 by a Palo Alto-based private equity group, Symphony Technology Group (STG). STG is a strategic private equity firm with the mission of

investing in and building great technology and services companies. In addition to capital, STG provides transformation expertise to enable its companies to deliver maximum value to their clients, to drive growth through innovation, to retain and attract the best talent and to achieve best in class business performance. STG's current portfolio consists of 14 global companies.

In December 2013 Evidera acquired Archimedes, an industry leading disease modeling and population analytics company based in San Francisco, CA.

CEOCFO: *Who is your typical client?*

Mr. Williams: The majority of our clients are biotech and pharmaceutical companies. We work with all of the top 20 companies in terms of revenue, and we work with most top 50. The majority are mid to large biotech and pharmaceutical companies; however, we do some work with small biotech and pharma. Device and diagnostics manufacturers make up a small but growing part of our business. Through our December acquisition of Archimedes, we also serve health systems and ACOs. Archimedes' Indigo business provides population health modeling and clinical decision support.

CEOCFO: *You mentioned about five percent is medical device. Do you see that as a growing area? Do you have a strategy to grow this segment?*

Mr. Williams: Yes to all of those questions. It is very similar to the story with providers. Device and diagnostic manufacturers historically did not have to demonstrate the value of their products in order to get reimbursement. The products just had to work, and somebody would usually pay for them. As health system budgets tighten, device manufacturers, like everybody else in the health care ecosystem are required to demonstrate the value of their products to get remuneration. That trend is rapidly picking up. As a result, device manufacturers are investing more money, more share of time and more share of mind earlier in the development of the products at articulating what the desired value proposition is, mapping out a strategy for generating that evidence and compiling it into something that has impact and relevance to their payers. Their payers are often different from pharma. They may be hospital systems or they may be integrated delivery networks.

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CEOCFO: *Under the new health care atmosphere, do you see a need to work differently than you have in the past? Are you aware of anything that might have you alter your methodology?*

Mr. Williams: That is a good question. We certainly see a need for greater demand across all stakeholders in the ecosystem. To very simply summarize, there is a pronounced need to demonstrate the value of your offerings in order to receive remuneration. As evidence of value becomes more important, there is an expectation for higher quality, more relevant data. What does that mean? Whereas some payers may have accepted historically broad data less relevant to their own population, what we are seeing now is more and more payers and health technology assessment (HTA) bodies require data that is relevant, if not specific to, their populations. There are a couple things that one has to do in order to achieve that. One, you have to begin planning earlier in the development of products. That is something that we are clearly doing with many, maybe most, of our clients. Two, we are investing in the development of interactive tools that will clients to take what has historically been static data and documents and customize it to their own populations. For example, I mentioned the global value dossier earlier as a product that summarizes value. We are investing and creating interactive tools where populations can be updated, variables can be adjusted, and data can be made meaningful for any payer that is interested in the given product or service.

CEOCFO: *When would a big pharma or larger company choose to come to you as opposed to your competitor? Do they decide you are the company and routinely come to you with most of their products and needs?*

Mr. Williams: Our clients come to us to support products that cannot fail – products where demonstration of value is CRITICAL to the success of the product and ultimately the company. The positioning that we have attempted to stake out and that I think we have done successfully is a high-value, premium positioning. We can provide higher quality, faster insight that is integrated across multiple disciplines (e.g. HE, OR, market access). We have an unparalleled track record of success with NICE, IQWIG, FDA, EMA and many other stakeholders. This has been achieved through pain staking actions over the past 15 to 20 years to hire and retain the best and brightest in the industry. We've built an extremely impressive roster of scientists and consultants. We are a 400-person organization, and over a third of our staff has PhDs and/or medical degrees. Roughly 75 percent of our staff has advance degrees. That is a very expensive hiring philosophy to get the best and brightest people who have a great deal of experience in the industry, but it allows us to provide more value to clients than our competitors can. When clients have products that are critical to the success of their firm and they

have challenges that require more than a run-of-the-mill strategy, we will find that they usually come to us. Those are the types of engagements we want.

CEOCFO: *What is your philosophy as CEO of a company that is growing, changing and moving? How do you run the company?*

Mr. Williams: Our people are Evidera's most critical "asset". We must keep our people happy. We must invest in them, their professional development, mentoring, training, create more opportunities, and in growth. Our people can work anywhere they want. I hear things from our HR group that on average our people are getting one to two calls from search firms per week. I think that is probably accurate, so our people can go anywhere they want. They can go to any of our competitors, and they can go to most of our clients. For Evidera to be successful it has to be the number one place that our staff wants to work. If that ever ceases to be true, then we will lose our competitive advantage, which is having the best and brightest minds in the industry. Why else is that relevant? We compete in an industry – health care – and in a sector of health care – value demonstration – that is changing dramatically. It looks completely different than it did even two years ago. Two or three years from now, it will probably look completely different from how it does today. In order to remain a (the) leader in the space, we have to be able to understand trends, predict change before it happens and be able to adjust and evolve our offerings and hiring strategies and the way that we engage with clients in a way that meets those needs when they happen. If there is a lag there, then we become less relevant. The only way to do that well is to have the best and the brightest minds.

Two additional actions we are taking to facilitate our continued methods leadership are to: 1. Create an internal research leadership council, which spans across all our businesses and scientific domains is led by our chief scientist, Jaime Caro. That group, among other things, is focused on understanding the trends of the marketplace, where things are going and helping to provide input to the leadership on how we should adjust our strategy, adjust our offerings and adjust the way that we engage clients. 2. We are establishing an external strategic advisory council with our parent Symphony Technology Group to bring together ten to twelve multi-stakeholder, industry leaders – e.g. former regulators, payers, HTAs, providers/IDNs, life sciences execs. They will provide us input on how the health care industry is changing, what the implications are for us and our clients, what new products we should be offering and how we should amend our corporate strategy. We will be rolling the advisory council out in the second quarter of this year.

CEOCFO: *Put it all together for our readers. As you mentioned, there are many companies in your industry to consider. Why Evidera?*

Mr. Williams: The industry is evolving rapidly and dramatically. As a result, common solutions to uncommon problems will not deliver the types of results and change that will make our clients successful. Evidera has aggregated the best and brightest minds in our respective field, has invested a tremendous amount in innovation and product development, and has a range of complimentary assets and capabilities all under one roof that allow us to partner with our clients to develop solutions that few others can develop. Evidera has an unparalleled track record of success in working with outside stakeholders to maximize the value of our clients' products. For products that are too important to fail, no one does a more effective job at demonstrating value than Evidera and its team of 400 scientists and consultants.

BIO: Jon Williams is the President and CEO of Evidera, a health economics, outcomes research, and market access company focused on helping life sciences organizations optimize the value of their products. Evidera, formerly a division of United BioSource Corporation (UBC) was acquired by Symphony Technology Group and established as an independent portfolio company in July 2013. In his role as president, Jon leads a global, ~400-person organization with more than 250 MDs, PhDs, and others with advanced degrees.



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