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# Syneos Health Consulting releases 11th annual survey of Biopharmaceutical dealmakers

06 June 2019 | News

**Projects M&A Bull Run Will Continue**

The 11th annual Dealmakers' Intentions Study from Syneos Health Consulting, an industry-leading biopharmaceutical management consulting firm, indicates that there will be an acceleration in dealmaking across all deal types. The 2019 survey results indicate that buyers appear more willing to accept risk associated with opportunities in the early development and rare disease categories.

**Download the full 2019 Dealmakers' Intentions Study.**

The study, released during a Super Session at the BIO International Convention in Philadelphia, provides a review of biopharmaceutical dealmakers' intentions around licensing and acquisitions for the next 12 months, identifying areas of greatest opportunities for buyers and sellers. For the first time, the study also includes new data on buyer and seller interest in rare disease opportunities.

"In this healthy dealmaking environment, buyers are intensely focused on finding assets that are the best strategic fit for their business and are being heavily influenced by the probability of regulatory and technical success," said Neel Patel, Senior Managing Director, Commercial Advisory Group, Syneos Health Consulting. "Sellers can take advantage of these expanding dealmaking options by clearly understanding and communicating their commercial value and using creative dealmaking options to avoid financial disagreements."

Key findings include:

**M&A Landscape Continues Bullish Run with the Potential to Reach $200-$250 Billion in 2019**

- **Despite a steep market decline in the last quarter of 2018 and a government shutdown, 2019 is projected to be one of the strongest years for dealmaking in the past decade, paralleling the mega-mergers of 2009 and growth achieved during 2014 and 2015.**
- **Buyers are more optimistic than sellers that there will be an acceleration in dealmaking across all deal types, suggesting a healthy number of transactions in 2019.**
- **IPOs are expected to cool as market volatility continues throughout the year, with the average value per IPO retreating to levels similar to those seen in 2017.**
- **In contrast to 2018, the total amount raised in venture capital financing is projected to decline slightly. However, 2019 is on a path to recording the highest venture financing amounts per deal value in this decade.**

**Buyers Appear to Be Willing to Accept More Risk in Early Development and Rare Disease Categories; Oncology Remains a Hot Spot**

- Buyer demand is shifting toward early-stage (pre-clinical) candidates to keep pace with scientific advances and to stay ahead of the technological curve, while buyer interest in later-stage assets remains relatively stable.
- Oncology remains the top therapeutic area of interest for buyers and sellers, remaining a buyer's market, with supply eclipsing demand.
- Despite key trial misses in NASH, buyers are also expressing strong interest in hepatic drugs.

**Orphan Drug Market is Becoming a Cornerstone for Dealmaking**

- More than one-third of dealmakers surveyed view the orphan drug market as an integral part of their dealmaking strategy or are actively seeing and assessing opportunities in the area. Another 40 percent are opportunistically assessing orphan drug opportunities.
- Of particular interest to buyers are orphan drug opportunities in infectious disease (antibiotics), ophthalmology, hematology and autoimmune disorders.

**Supply and Demand Imbalance Indicate Areas for Assessment**

- Aligned with trends since 2016, demand for hepatic, inflammation and autoimmune assets is elevated.
- CNS assets are falling relatively out of favor, perhaps given recent late-stage Alzheimer's disease disappointments. However, overall neurology dealmaking exceeded expectations in 2018, so this is still an area to watch.
- Immuno-oncology, CART-T cell therapy and CRISPR/Cas9 continue to be among the hottest areas for licensing for another year running. Digital therapeutics and some technologies are gaining interest, indicating the search is on for the next-generation gene editing and stem cell therapies.