

Movetis

2010 Deloitte Rising Star

The Deloitte Rising Star Award for technology companies less than five years old was won this year by Movetis. A Johnson & Johnson spin-off, the Belgian firm has a promising new gastrointestinal (GI) medicine on the market. Following a highly successful IPO at the end of 2009, Movetis was recently acquired by Shire, a global biopharmaceutical company. We asked Dirk Reyn, Movetis cofounder and CEO, to tell us what it takes to be a rising star.

When we got the Deloitte Rising Star Award we gathered everybody together and had a drink. We're fortunate to have been nominated for a number of awards. They are important for team recognition and to create emotion that you need in an organisation. You have to celebrate, and also stop and look back at what you did.

The Rising Star Award is different from other awards. It's very appealing because the selection criteria are broad. We appreciated competing in a larger pool against companies beyond our area of expertise.

Starting with a blank sheet of paper

We owe our success in part to a lean structure: a knowledge hub model with experienced people in the centre of a web. We keep in house what we see as essential and outsource a lot. In the beginning all pharma companies had everything in house. That's changing, but slowly. As a start-up we had the opportunity to begin with a blank sheet of paper.

In house we have three competencies. One is discovery: there are no labs here, but we decide strategy and protocols. Another is development: writing protocols and results, analysing and managing data – that’s done internally. But recruiting patients, drug administration and testing are conducted by different vendors. The third competency is commercialisation: we plan strategy and develop core promotional and education materials. We also train external sales forces.

“In a small company it’s all about people. Finding the right ones remains the largest challenge.”

Dirk Reyn, CEO Movetis

People are always saying they can’t believe how we accomplished all this with so few people in only four years. It’s because of the flexibility of this model. There are vendors nowadays willing to work in tight partnerships with active relationships. Roles and responsibilities are clearly defined. And for vendors it can be more interesting than working for larger companies.

Passion and sustainability

Another success factor is the passion and dedication of our people. It’s typical of spin-offs. When Johnson & Johnson decided not to continue with the existing model the four Movetis founders left everything behind, even our benefits, because we believed in it.

We had worked with the compounds – they were like our babies. Afterwards we were joined by a second wave of Johnson & Johnson people who also had experience with the products.

The third key to success is a good product with a strong set of evidence behind it. Our lead product fills a need, treating chronic constipation. A lot of companies would be greedy and try to take over the existing laxative market. Our approach, we think, is

a fair proposition. The product is only for people who are not satisfactorily relieved with current medication. We’ve tried to find a balance in our commercial strategy where we bring value, which I believe is more sustainable over the long term. Shire shares our vision.

Innovating in Belgium

We’re fortunate that Belgium has a good biotech environment. The government sees the sector as a priority area. We benefit from subsidies. We also obtained a favourable tax ruling, which had a significant impact on company value, helping our IPO. Other Belgian biotech success stories helped us attract people and money.

In Belgium there’s a very good mix between capital knowledge and business acumen, for instance at Gimv. The universities of Leuven and Ghent are also well structured, with good treatment of intellectual property. In the Netherlands they’ve tried this and it doesn’t seem to work. The mix of capabilities is not so well aligned.

The main challenges here are related to people: mobility is a problem. Belgians are not willing to relocate. Sometimes it’s easier to attract people from other countries. But things are changing. When I look at the next generation they seem to have a different view.

Movetis

CEO Dirk Reyn

Location Turnhout

Founded 2006

Valuation post-IPO (Dec 2009) €258 million

Shire acquisition valuation (Nov 2010)

€428 million

Headcount 58

Activity discovery, development & commercialisation of drugs for gastrointestinal diseases

Lead product Resolor® (prucalopride)

www.movetis.com

www.shire.com



Dirk Reyn, CEO Movetis

With academic degrees in both pharmaceutical science and business, Dirk Reyn has over 24 years of pharmaceutical experience. He was Head of International Strategic Marketing for the Gastrointestinal Franchise at Johnson & Johnson, and a member of several global development

teams at Janssen Pharmaceutica. He gained ten years of sales management and commercial experience at Eli Lilly. His last position at Janssen Pharmaceutica was that of VP New Business Development and In-licensing Europe.

Looking back...

We're lucky that on the big things we made the right choices. My advice to new entrepreneurs is always prepare a plan B. When things are evolving fast sometimes you don't think enough about them. So when something doesn't work out it can be a struggle. Make sure to always take the time to look backward and forward and have a plan B.

Respecting your people is also important. In a small company it's all about people. Finding the right ones remains the largest challenge. When things are going fast you need a good selection process – over time we got better at this. We also had dedicated HR support early on, which helped us through the growing pains.

...and forward

With sales starting in Germany, the UK and Belgium, the commercialisation of Resolor has received a boost. The link with Shire means we now have the financial means to further develop the rest of our drug portfolio. Our other programmes are being fast-forwarded. The site in Turnhout will continue to grow and become the European GI hub for Shire. More international people will bring new expertise. And joining forces with a larger organisation will offer growth opportunities for our people,

Five years from now we would hope that Resolor is the most prescribed drug in our target market. Also, that Shire is regarded as a GI leader in Europe.