Creating new value

To prepare for the future and remain relevant in the ever evolving health care landscape, biopharma and medtech companies will discover sources of significant new value creation.

It's trending - A holistic patient experience that maps out all the touchpoints experienced by patients in their journey of care—from diagnosis to maintenance.

Creating value by technology

- Patient hub that digitally connects patients and their caregivers
- Medication adherence tools to identify gaps in care
- Intelligent safety monitoring by wearables to predict events and provide early intervention

Creating value for the market

Deals and acquisitions

The first half of 2019 was robust, but showing signs of a slowdown for life sciences M&A.

Number of deals for the year may be trending downward but the value of the deals is higher for the first three quarters of 2019 at US$181.7 billion, US$135 billion for the same time in 2018.

In 2020, pharma companies will likely bet on cell and gene therapies, focused on oncology and rare diseases. Manufacturing is expected to be a key differentiator!

61 biotech IPOs, 127 biotech companies acquired, and 124 biotech companies ceased to exist worldwide.

In Q1 & Q2 2019, medtech surpassed 2018's M&A total that included eight multibillion-dollar deals at a total of US$29.5 billion.

Growth in technology

Life sciences companies announced deals acquiring 37 technology providers in 2019.

- A number of health-based technology companies joined the ranks of unicorn status, which are privately held startups with a value over US$1 billion.
- A number of health-based technology companies joined the ranks of unicorn status, which are privately held startups with a value over US$1 billion.

Cloud investments will continue to be a top priority for life sciences companies in 2020.

- Interoperable and real-time data will help companies accrue the greatest returns.
- Use of technology to address pricing pressures, a key factor for declining ROC for medtech companies, in addition to lower R&D productivity.

R&D spend is forecast to grow at a CAGR of 3% over the 2019–24.

2019 saw an increase of almost 6 percent in the number of drugs in the pharma pipeline.

Deloitte

About Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee (“DTTL”), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as “Deloitte Global”) does not provide services to clients. Please see www.deloitte.com/about for a more detailed description of DTTL and its member firms. Deloitte provides audit, tax, consulting, financial advisory, risk management, and related services to public and private clients spanning multiple industries. With a globally connected network of member firms in more than 150 countries and territories, and independent entities, Deloitte delivers world-class capabilities and high-quality service to clients, delivering the insights they need to address their most complex business challenges. Deloitte’s more than 200,000 professionals are committed to becoming the standard of excellence.

About Life Sciences and Health Care at Deloitte Touche Tohmatsu Limited

About Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee (“DTTL”), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as “Deloitte Global”) does not provide services to clients. Please see www.deloitte.com/about for a more detailed description of DTTL and its member firms. Deloitte provides audit, tax, consulting, financial advisory, risk management, and related services to public and private clients spanning multiple industries. With a globally connected network of member firms in more than 150 countries and territories, and independent entities, Deloitte delivers world-class capabilities and high-quality service to clients, delivering the insights they need to address their most complex business challenges. Deloitte’s more than 200,000 professionals are committed to becoming the standard of excellence.