

Coronavirus and its Impact on Life Sciences

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LINUS

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Overview

From March 13 - March 31, The Linus Group surveyed nearly 1,100 scientists, researchers, directors and other life science professionals to better understand how the industry is reacting to the impact of the Coronavirus pandemic. In this research, we explored how the life science community is impacted, the estimated long-term effects of coronavirus on scientific research, the perceived length and depth of the disruption, and the overall sentiment felt across the industry in the early phases of a nationwide response.

We also recommend 3 immediate actions that we can take to help strengthen our connections with our customers, and fight the repercussions of the Coronavirus situation.

■ Demographics: Type of Organization

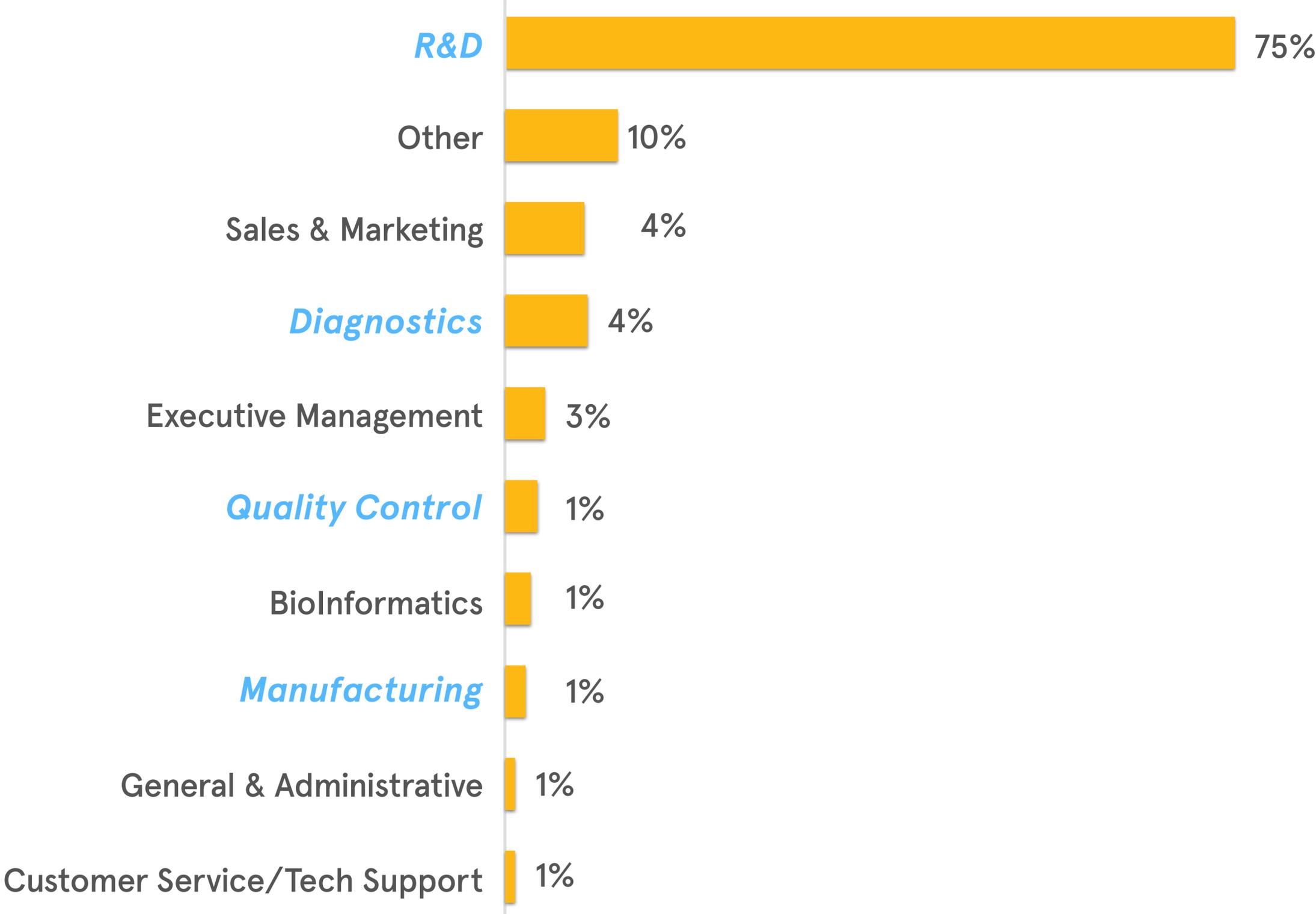
Organization Type	Percentage
Academia/University	68%
Pharma/Biopharma/Biotech	12%
Contract Organization (CRO or CDMO)	2%
Diagnostics	2%
Government Clinical Testing	<1%
Government Research	4%
Manufacturer of Life Science Products/Solutions	3%
Medical device	1%
Other*	7%

n=1,078

*non-profit research institutes, private hospital, industry consulting

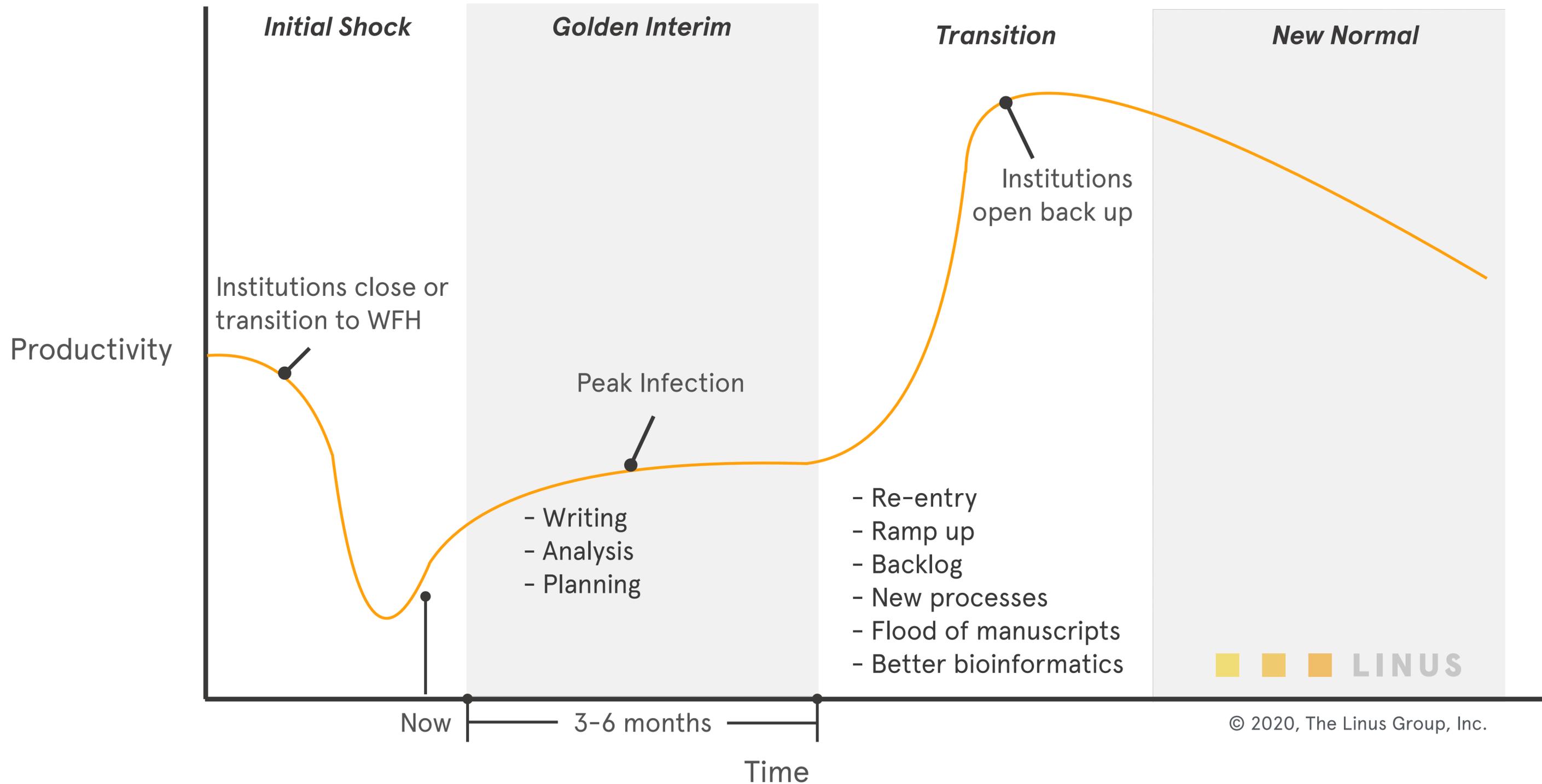
Demographics: Area of Work

Approximately 80% of respondents' work functions require *specialized facilities*.



Model for Progression of Productivity

Four phases of disruption to life sciences caused by Coronavirus - Based on Baseline LINUS Research - March 31, 2020



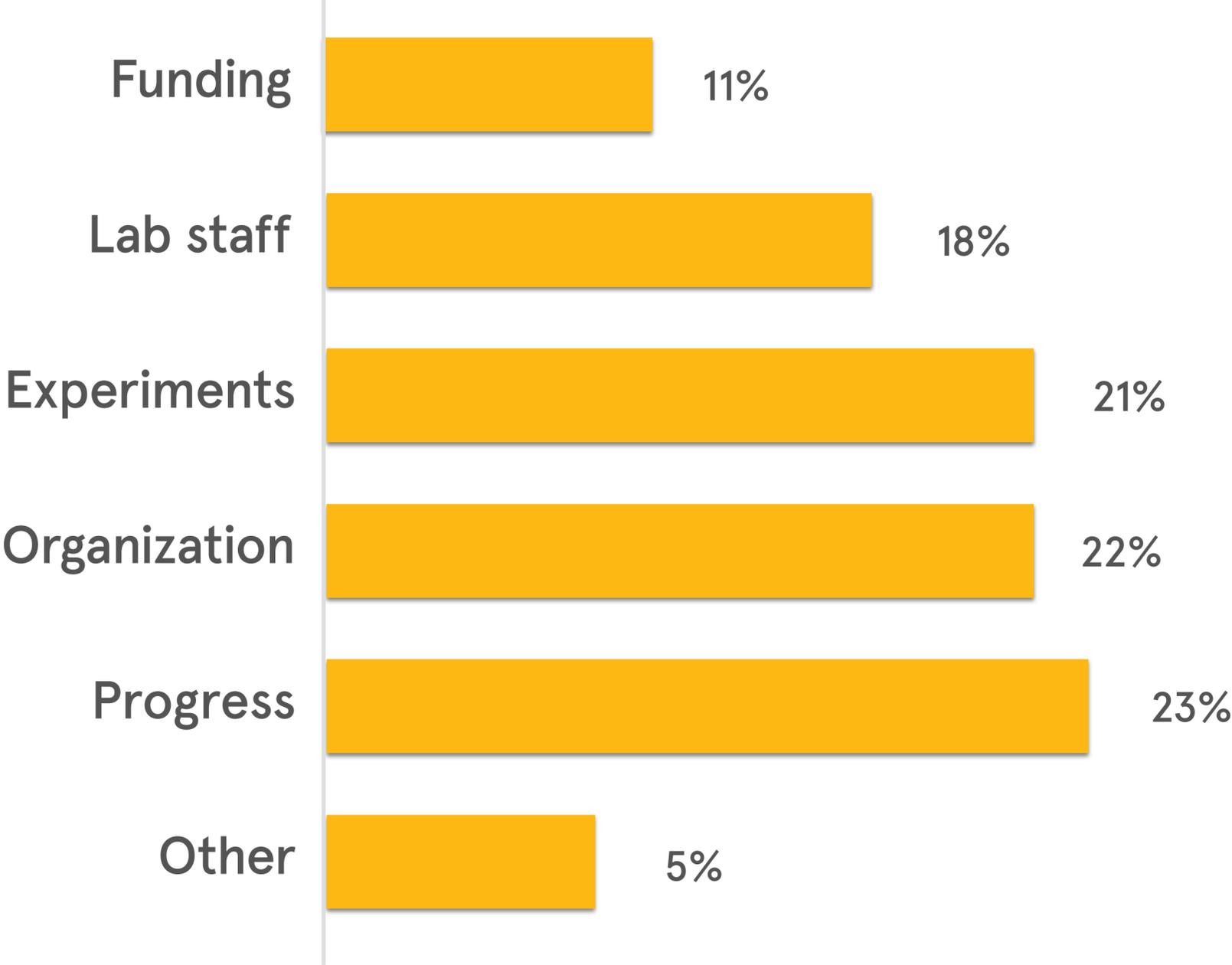
■ Current Perspectives: Personal Concerns

The science community is overwhelmingly focused on immediate concerns.

Highest Priority Concerns	1	2
Your/your family's health or safety	63%	18%
Ability to successfully conduct scientific research	13%	8%
Your students/staff's health or safety	4%	48%
Your financial wellbeing	3%	6%
Your community's health or wellbeing	9%	14%

Current Perspectives: Disruptions

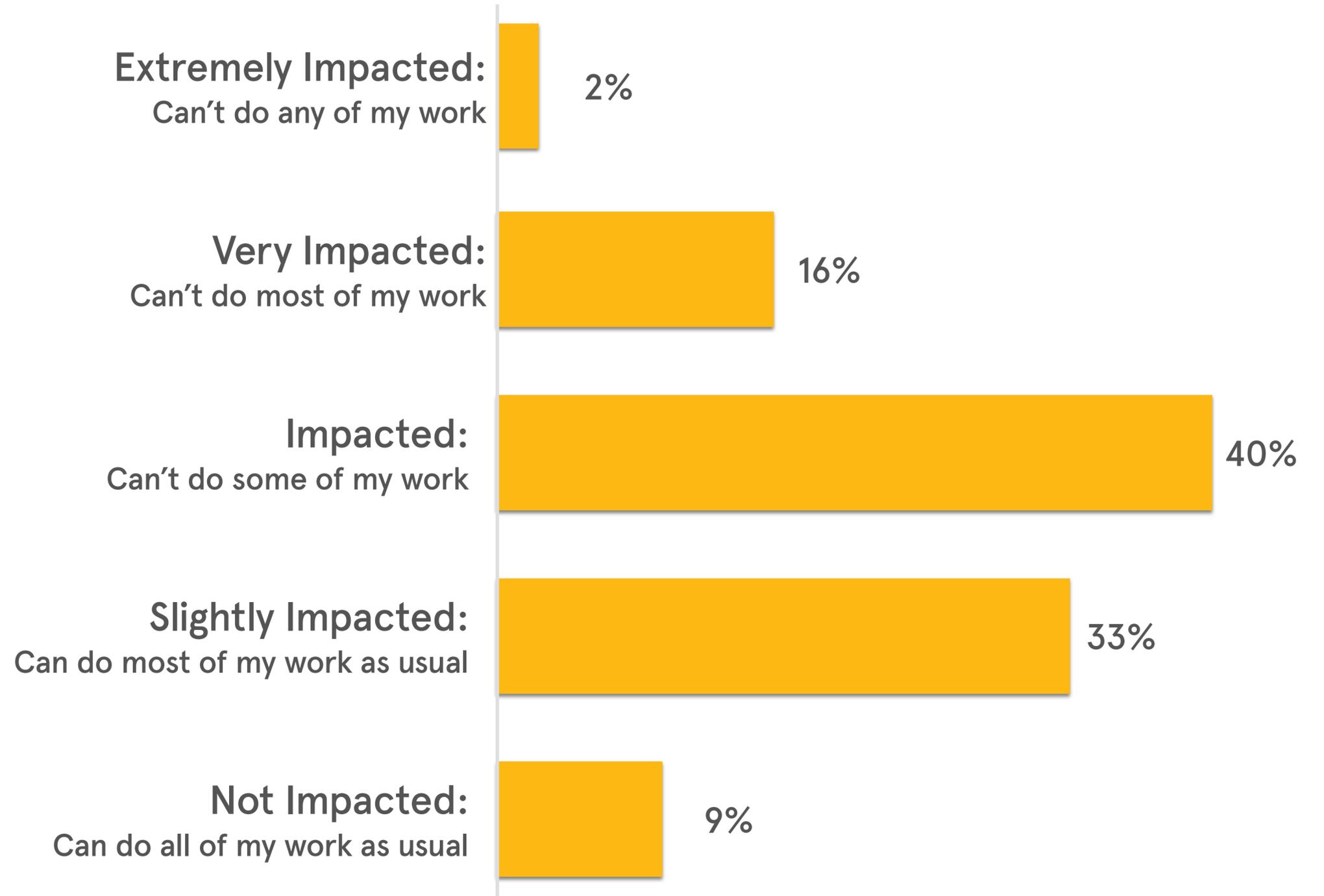
Disruption to day-to-day activities are top of mind, with over half of respondents focusing on short-term issues.



■ Current Perspectives: Impact on Continuity

Among the 90% who are being impacted, approximately 1 in 5 are experiencing severe effects.

14% of Sales & Marketing report being **extremely** impacted.



■ Current Perspectives: Impact on Productivity

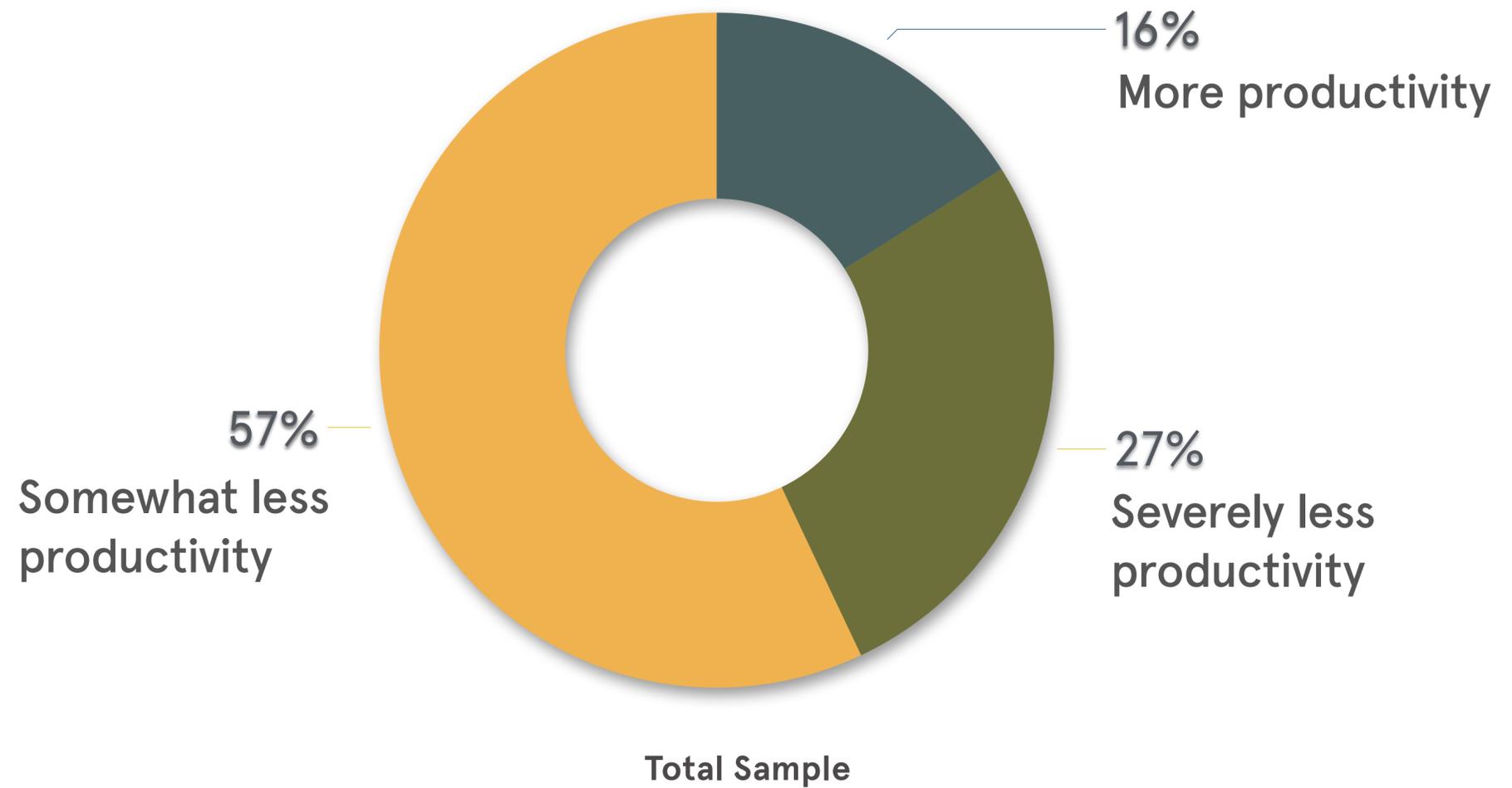
Nearly 2/3 of respondents (63%) claim that disruption will last between 3 and 6 months.

“Having to shut down work for **a month** will require **3-4 months** to ramp back up.”

“Experiments can’t be just **turned off and on**. It will take time to get started again.”

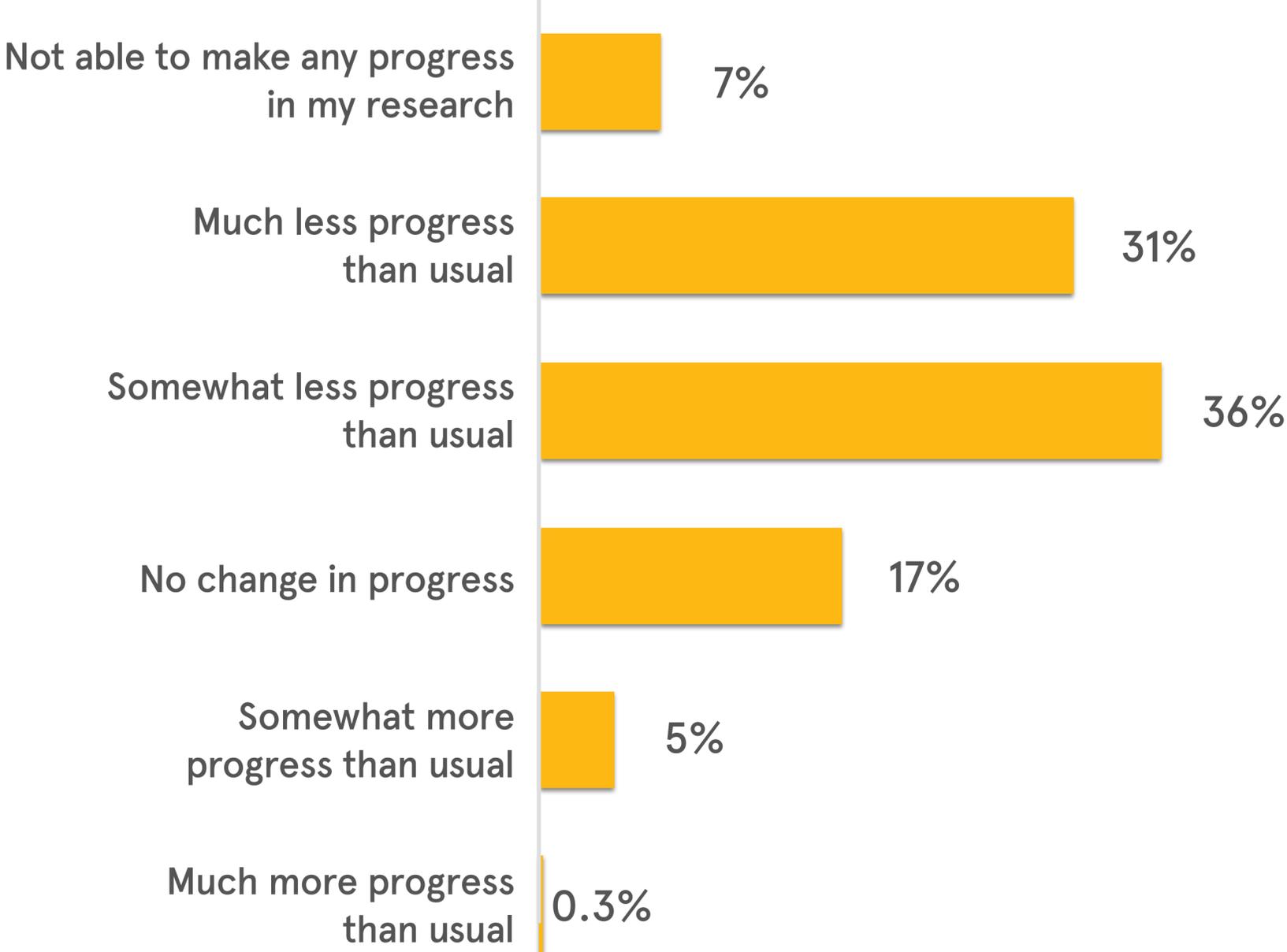
■ Current Perspectives: Impact on Productivity

1/4 of Sales and Marketing respondents are feeling like they are more productive than normal.



■ Current Perspectives: Impact on Progress

For those involved in research, nearly 40% say they're making significantly less progress. The majority claim some effect, no change, or an increase in progress.



■ Current Perspectives: The Golden Interim

During the interim period, professionals have plans to write, publish and focus on planning.

“I am doing work that I had postponed because of other priorities.”

“I’m trying to stay current and focused.”

“Postponing events to second half and prioritizing them.”

■ Current Perspectives: The Transition

Transitioning back to normal seems like a very distant future.

“I haven’t even thought about that yet, I’m operating in an emergency mindset.”

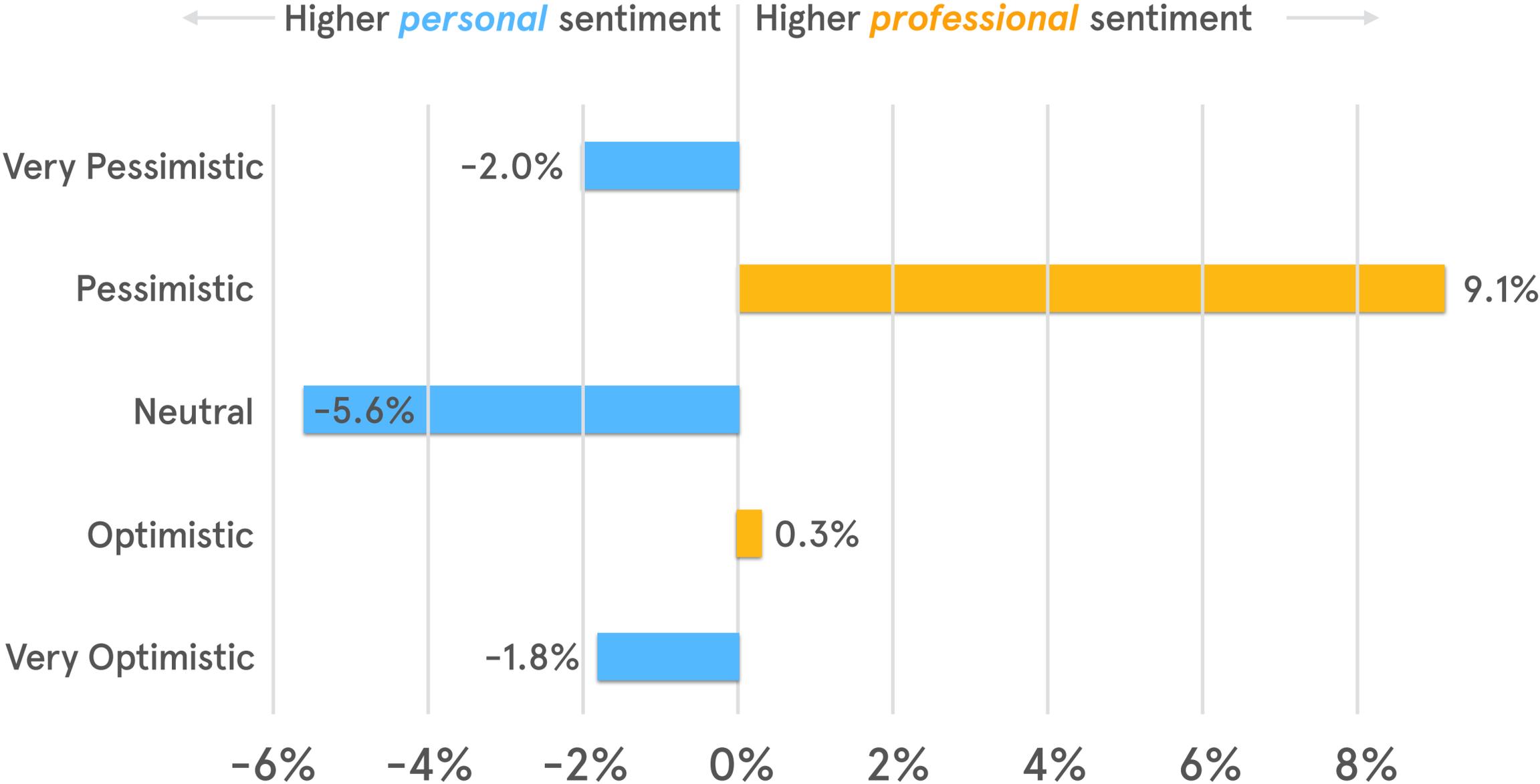
“My focus now is trying to manage through a crisis.”

“Looking into much more online or virtual presence.”

“Trying to use online marketing tools and communication as much as possible.”

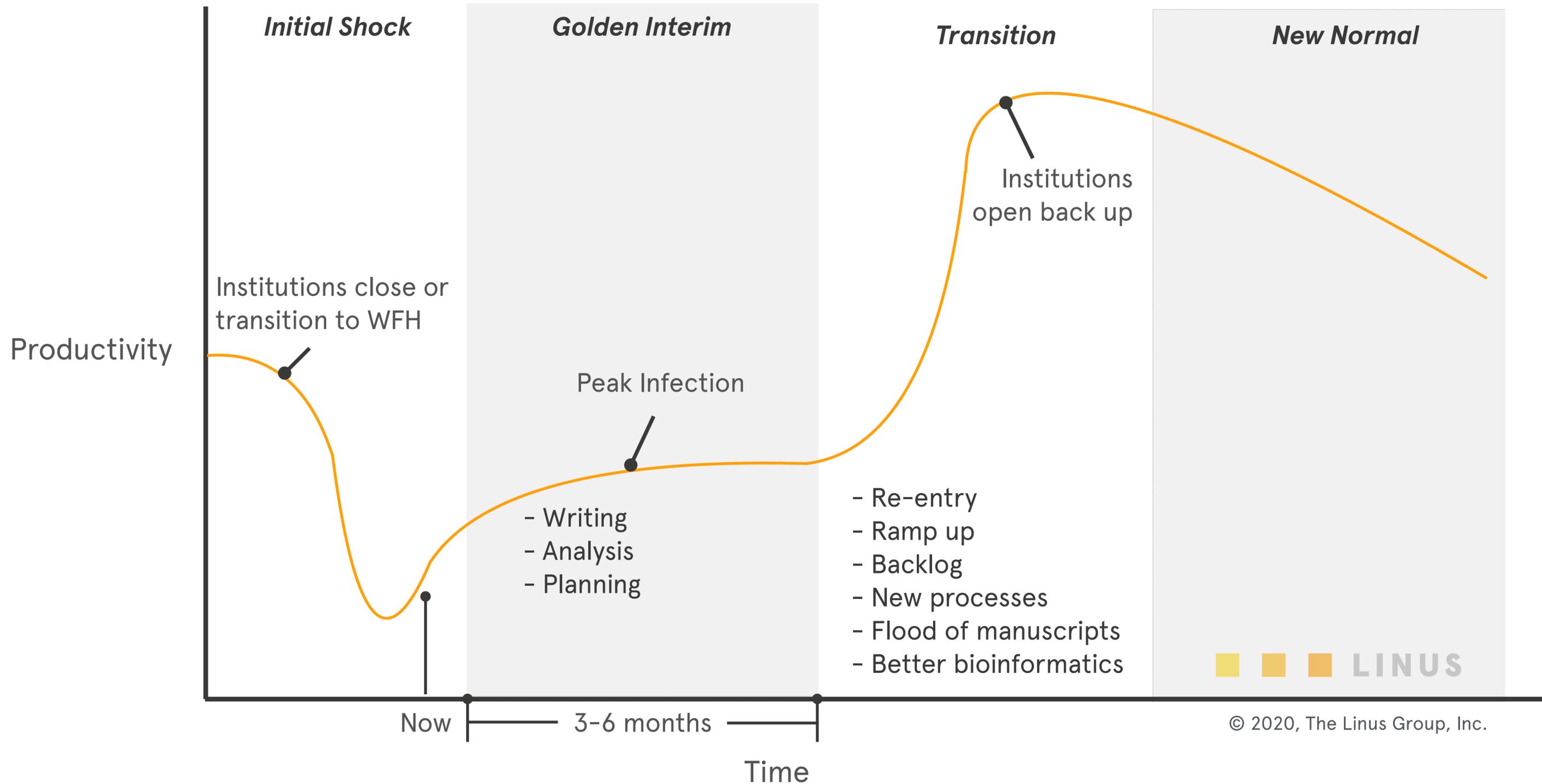
Current Perspectives: Outlook about the Pandemic

Scientists feel more pessimistic professionally than personally.



Model for Progression of Productivity

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■ Market Forces - Impact on Model

STRATEGIC ASSUMPTIONS MAY BE DISRUPTED IF:

1. Assumed consensus epidemiology model is incorrect - the virus reappears or behaves differently than it did in China
2. Market psychology is overwhelmed by fear and irrational behavior
3. Timeframe on the Golden Interim is different than expected (longer or shorter)

INITIAL SHOCK: NO DRACONIAN DECISIONS

- The world is currently coming to terms with the reality of the situation. Signals are heightened and not indicative of long-term situation.
- Managers should focus on the key drivers and signals that are important to them, and create inputs to inform their decisions.
- Avoid temptation to react, or act in the obvious/expected way. There is opportunity in the current situation, and those who watch the signals will win.

GOLDEN INTERIM: A PERIOD OF PSEUDO-NORMALCY

- Managers should consider how to generate customer intimacy in this period to support customers in their above endeavors, and should consider the macro effects of these activities, to help in the transition period back.
- Develop dialogue with customers and gain/share data with them that they will find useful. Help them think about a plan for when transition back to the lab will take place, so that they are ready and confident in their re-entry.

GOLDEN INTERIM: 3 TYPES OF SALES & MARKETING ORGS

- **Reactive:** In this type of organization, leaders are lost, confused and only focused on the present. Fear of the unknown or unexpected paralyzes them and prohibits productivity or planning for the future.
- **Adaptive:** This mindset centers on being relevant now, and maximizing the opportunity to connect with known resources. Positivity and flexibility will enable teams to move forward and get through to the next phase.
- **Transformative:** Creating a new future is at the forefront of this organization's mindset. They are asking "how will we shape the future" and will have the courage and creativity to lead in the new normal.

TRANSITION PERIOD: THE BACKLOG NO-ONE IS CONSIDERING

- The science community is not currently thinking about the transition period back. There will be a flood of manuscripts submitted. Informal data-sharing will lead to possible formal collaborations, and expectations need to be managed. Scientists and professionals will have to re-create many of their experiments.
- Though there may be high commercial activity during this period, it is another time of great reactivity. Managers should expect lower levels of overall engagement, especially for strategic decisions or decisions with long-term lead times or impact.

■ Current Perspectives: The Silver Lining

HOPE PERSISTS AND OPTIMISM IS PRESENT

The current situation is openly dismal. However, many life science professionals see opportunities that may emerge:

- Increased public awareness of the importance of science in everyday lives
- Broader acceptance for funding for biomedical research
- Digitization of science, and adapting to a remote-capable future
- Improved collaboration across global populations and organizations
- Increased time to write and publish
- Funding for advancements in healthcare infrastructure

Thank you!

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