

Managing Risk and ROI in a Genomics Defense

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Your Objectives ✓

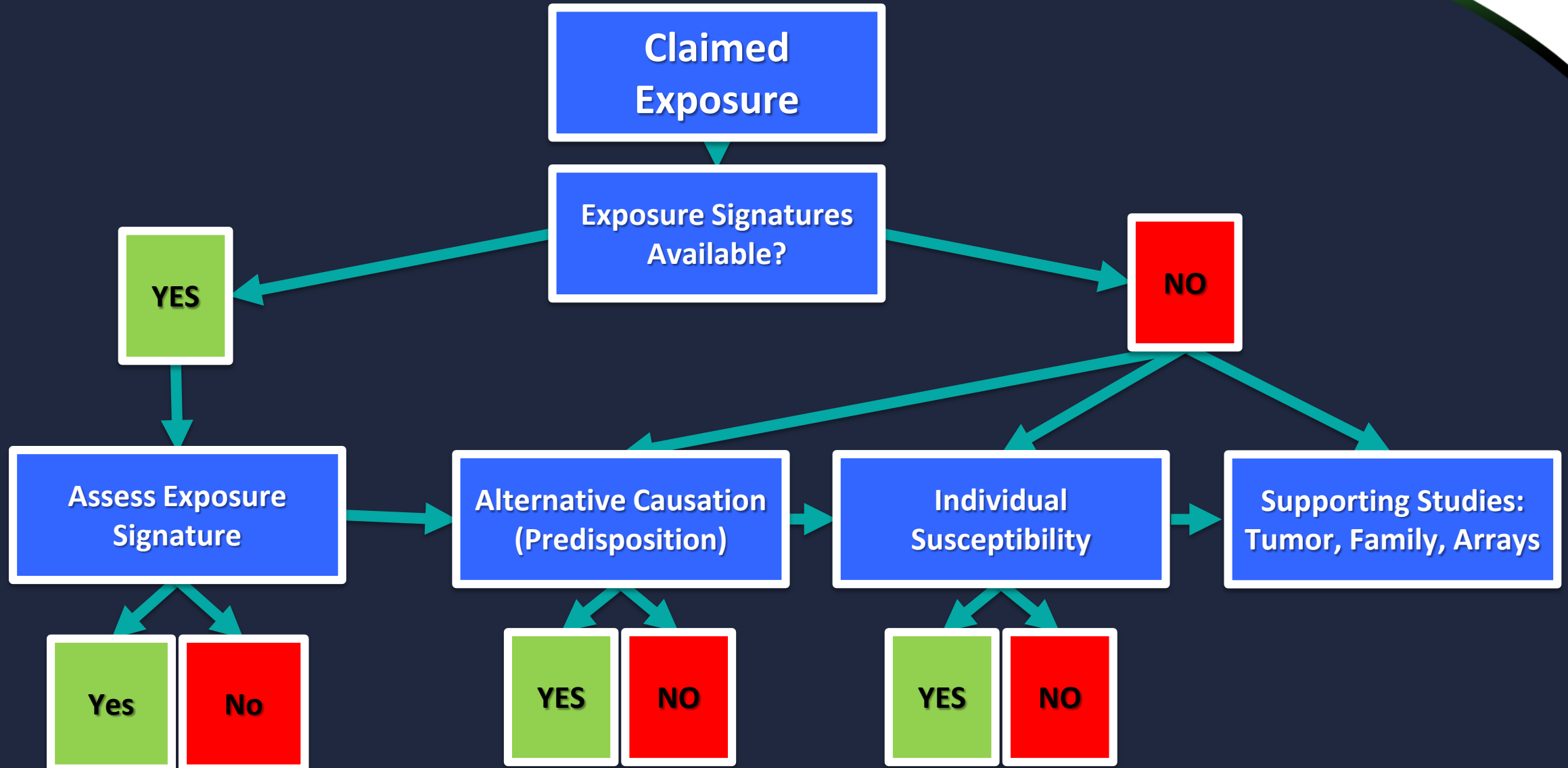
- **Fault:** Did we expose AND cause harm
- **Alternatives:** Cellular processes were disrupted
- **Send a Message:** Let's be reasonable
- **Segregate:** How big is the risk and exposure
- **Balance the Checkbook:** Have an "I" to work from
- **Cost Reduction:** Trial AND low-cost screening
- **Best Practices:** Removing uncertainty and challenges

Factors

- **Naive:** We understand cherry picking, pick the cherries or shoot the weak puppies
- **Financial Modeling:** NPD, set asides, divestitures, ROI, etc.
- **Board Room:** Bedtime storytelling replaced with facts
- **High Impact:** Consider all aspects, including the opposition
- **Concrete Outcomes:** May not always like the answer, but it is quantitative
- **Expectations:** Of course we can do that
- **All or Nothing:** Purity vs. Efficiency



Investment Options



Case
Evaluation

Phase I

Systematic process
Certainty in expenditures
As little as possible in advance
An À la carte shopping experience
The ability to pick the best display tools

Affidavit
Production

Phase II

Study
Development
& Execution

Phase III

Analyses,
Modeling &
Reporting

Phase IV

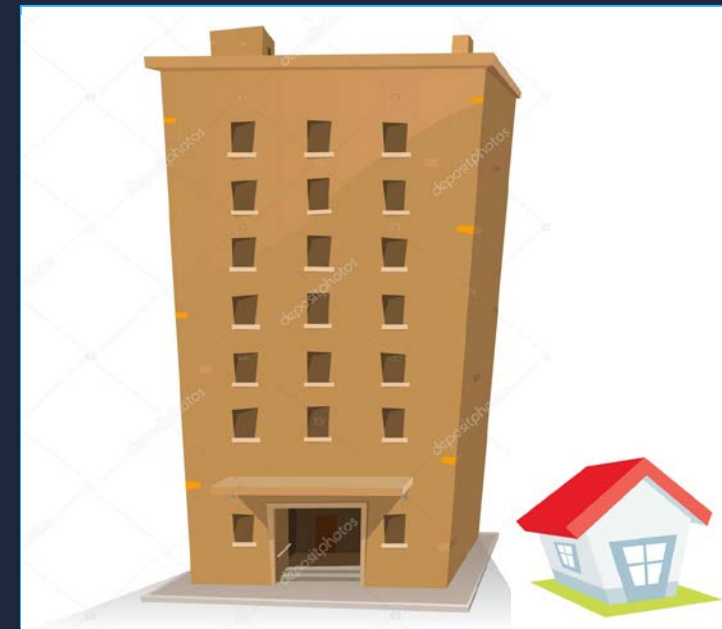
Witnessing &
Responding

Phase V

Gated Process

Adaption by Type of Firm

- Internal vs. External counsel (TBC vs Winning)
- Aggregation of cases - valuation of the pool
- Case-by-case segregation and decision making
- Insurance defense plan
- Self insured defense plan
- Champions, Co-payers and Free riders



Cowboy Wisdom

- Pick the Appropriate Cases
- Evaluate the diseases **AND** the mode of action
- Don't use shoddy science – we all get burned
- Be transparent – both sides get everything
- Make sure your partners pay their share
- Look at the long-view for investments
- Participate in the development of Best Practices
- Don't drink downstream from the herd



ToxicoGenomica

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