

Partnerships remain buoyant

Stacy Lawrence

About \$20 billion in partnership deal value was committed to biotech last year, with about three-quarters of the dollars coming from pharmaceutical companies. Since 2004, the number of biotech deals has fallen somewhat,

whereas value has bloomed. Deals for candidates at either end of the development pipeline were particularly popular last year, with more partnerships aimed at cancer, nervous system disorders and infectious diseases.

Number and value of biotech partnerships

Last year, the total number of partnerships increased, whereas their total value actually fell.



Source: Windhover, Burrill & Company

Biotech partnerships with big pharma

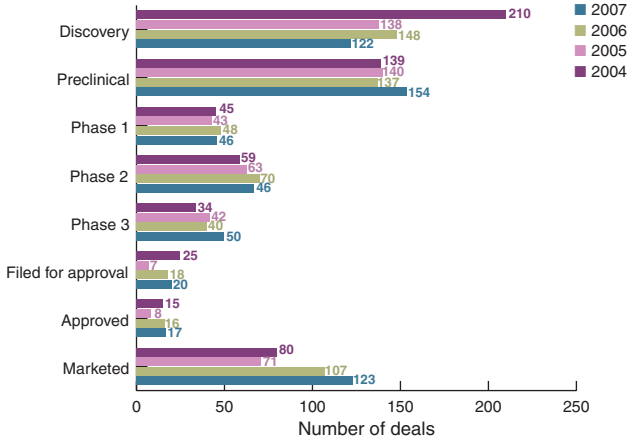
The past two years have seen much higher valuations for biotech partnerships with big pharma.



Source: Windhover, Burrill & Company

Number of partnership deals by stage

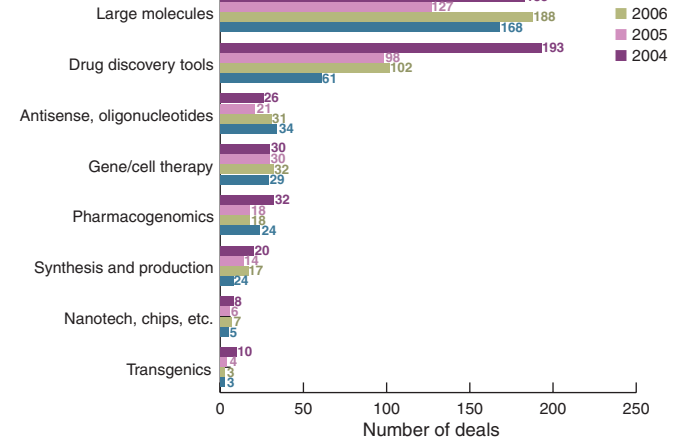
Deals at both ends of the spectrum, for preclinical candidates and marketed products, gained most traction last year.



Source: Windhover, Burrill & Company

Number of partnerships by technology type

Large molecule and drug discovery tool deals, the largest segments, both slipped last year.



Source: Windhover, Burrill & Company

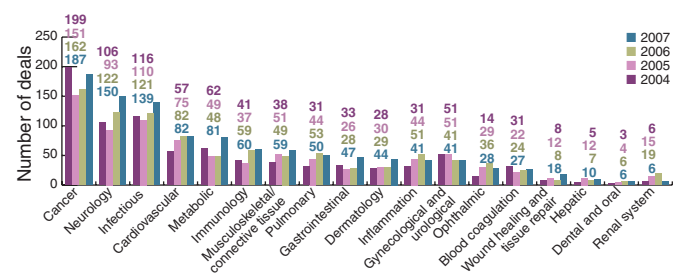
Biotech R&D budgets with the largest increases

Company	Absolute change from 2006 to 2007 (\$ millions)	Percentage change from 2006 to 2007	2007 R&D spending (\$ millions)
Genentech	750	42%	2523
Gilead Sciences	207	54%	591
Biogen Idec	207	29%	925
Vertex	141	38%	513
Celgene	140	54%	399
Genzyme	88	13%	738
Alnyam	71	145%	121
MannKind	65	34%	257
Regeneron	65	47%	202
Amylin	55	25%	277

Source: Reuters Global Fundamentals via FactSet Research Systems

Number of partnerships by therapeutic area

Cancer continues to be strong; metabolic diseases saw the largest uptick in deals, followed by neurological disorders.



Source: Windhover, Burrill & Company

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