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J.P. Morgan Executive Roundtable, Part 1: How To Help Women Move Into The Biopharma C-Suite

by Mandy Jackson

Scrip decided to shake things up a bit for its third annual biopharmaceutical executive roundtable held during the J.P. Morgan Healthcare Conference by putting together an all-female panel to talk about the financing and dealmaking landscape as well as the state of women in the industry.

Emma Walmsley's elevation to the CEO role at *GlaxoSmithKline PLC*– the first female CEO of a big pharma company when she moves into the post later this year – is coming at a time when there's a renewed focus on gender diversity in the biopharmaceutical C-suite. And it is an issue that isn't going away.

After two years in a row of all-male roundtable discussions at *Scrip*'s annual biopharmaceutical executive roundtable at the J.P. Morgan Healthcare Conference, this year we put together an all-female panel.

The relative lack of women in leadership positions became a hotter topic after the J.P. Morgan conference in 2016 when LifeSci Advisors hosted a party where it hired female models to entertain male attendees. LifeSci Advisors, working with Women in Bio, has since *launched a campaign* to help women ascend to leadership positions at biopharma companies.

Also, an *open letter about gender diversity* in the biopharma community was distributed during the 2017 J.P. Morgan conference and signed by 116 executives and counting. It lists five guiding principles for gender diversity in the industry as well as 10 best practices for

Will New CEOs Make C-Suite More 'She-Suite'?

By John Hodgson

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being more inclusive of women.

Meanwhile, a report by the life science executive recruiting firm Liftstream released on Jan. 24 shows how far the industry still has to go to reach gender parity. Liftstream's study of 177 public biopharma company boards of directors found that:

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Improving gender balance in top pharma is a slow process, but not a gradual one. Management shake-ups often implemented by newly appointed CEOs could help.

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- Less than 8% of the companies had a woman CEO;
- Women occupied 10.9% of board positions;
- Women chaired the board of directors at less than 2% of the companies;
- Men are appointed to boards at twice the rate of women;
- And at the current rate that women are appointed to biopharma boards of directors, it will take 20 years for 30% of board seats to be held by women and parity won't be reached for another 40 years.

The Liftstream report also found that companies have a financial incentive – on top of an interest in fairness – to recruit more diverse boards: stock performance for companies with diverse boards was 28% better than companies with all-male boards during the years following an initial public offering.

"This study by Liftstream confirms the gender diversity problem and highlights the need for active and intentionally disruptive approaches for appointing directors to biotech boards," Third Rock Ventures Partner Abbie Celniker – one of the *Scrip* roundtable participants – said in Liftstream's statement about its report. "Venture capital firms and company directors must plan more effectively to increase their opportunity for recruiting directors from outside their customary networks when meeting the changing needs of the company."

What follows is the first part of a conversation that *Scrip*'s Mandy Jackson had on Jan. 9 – the first day of this year's J.P. Morgan conference – with Celniker and five other female biopharma executives: *Chromocell Corp.* Vice President of Therapeutics Tina Garyantes, *Curis Inc.* Senior Vice President and Chief Strategy Officer Mani Mohindru, *Symic Biomedical Inc.* Chief Financial Officer Jocelyn Jackson, *Cerecor Inc.* Chief Financial Officer Mariam Morris, and *Corbus Pharmaceuticals Holdings Inc.* Chief Medical Officer Barbara White.

Abbie Celniker: [Recruiting] is very relevant to the fact that you have all women sitting here right

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now. Because talent acquisition is hard; human capital, is really, really tough; and then, if you look at the C-Suite level where all of us are, it's 9% to 10%? Right? It doesn't matter which coast you're on or whether you're talking about the board level or at the C-Suite level. [By elevating mostly men] you are only tapping half of your talent, so that is something that has to change, because there's a lot of phenomenal talent out there.

Liftstream did a study and published it about a year, maybe a little longer ago, that said that a number of women are saying it's not that they're not being offered higher jobs, although that's a problem too, but there are a number of women who are saying no to positions in smaller companies or in venture and they cite, "Why would I want to work in that environment?"

So there seems that there might be something that we can do if the environment is why people are saying "no." You can fix that, not easily, but you can. I think it's harder for some of the other issues, like are women part of the network that's doing the hiring? Because you mentioned how hard it is to hire, but yet half the workforce isn't making themselves available.

Jocelyn Jackson: I think your hiring comment is really important, because at Symic two out of three of our founders were women, so they were involved in the hiring from a very early stage and we have consistently had about 50% women without ever talking about it, in every

The Companies

Third Rock Ventures is a venture firm with offices in Boston and San Francisco whose main focus is building and financing life science start-ups based on technology or drug candidates in-licensed from academia or other biopharma companies. The VC firm's portfolio includes the ophthalmology company Eleven Biotherapeutics Inc., where Celniker was the CEO before it merged with the cancer firm Viventia Bio Inc. (Also see "*Viventia's Cancer Ambitions Go To Eleven*" - Scrip, 21 Sep, 2016.)

North Brunswick, New Jersey-based Chromocell is a platform-based technology company that formulates flavors and therapeutics. In the therapeutic area, Chromocell is primarily focused on pain with an initial focus on sodium channels. The company has a therapeutics partnership with Astellas and is collaborating with several different food companies on the flavor side of its platform. (Also see "*Astellas, Chromocell In Pain Pact Worth $515m-plus*" - Scrip, 30 Sep, 2015.)

Curis is a Lexington, Massachusetts-based oncology company that's become an immunotherapy company that's developing oral small molecule checkpoint inhibitors, including the first oral molecules to target high-profile immuno-oncology targets, such as PD-L1 and TIM3. Data from ongoing Phase I studies are ongoing with key data expected this year. (Also see "*Timeline: Expected Clinical Trial Readouts For PD-1 Competitors*" - Scrip, 3

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stage of our organization, at the VP and the exec level, which is quite incredible. I really think it all came down to hiring and having a diverse group of people doing the hiring and then it just happens naturally.

Barbara White: I actually had a chuckle to myself about that, having been in industry and big pharma for a long time. I once worked for a big pharma company and we took our leadership on the road, so they had t-shirts made and they put our pictures on the t-shirts. There were 16 gentlemen and one lady, myself, and those were the pictures and I said, "You really want us to wear those?"

Tina Garyantes: [Sometimes] I'm twice as good as this field and I'm the only woman in the room.

White: But the other day, at a team meeting where were going to talk about our goals in the New Year ... I walked in [and] I didn't see a male in the room! I said, "Where are the guys, somebody go find them!"

Mani Mohindru: You bring up a good point, because there are more women in the workforce, I don't think that's the question, but are they going up [into executive positions]? What happened? We have more than 50% of our workforce are women, but then suddenly that attrition happens. The representation is not apportioned.

Nov, 2016.) The company also has the HDAC and PI3K inhibitor CUDC-907 in Phase II for diffuse large B-cell lymphomas and earns royalties from Roche's Genentech Inc. for the hedgehog pathway inhibitor *Erivedge* (vismodegib), which was approved to treat advanced basal cell carcinoma in January 2012. (Also see "*Genentech goes beyond Infinity with FDA OK to sell Hedgehog inhibitor for advanced BCC*" - Scrip, 31 Jan, 2012.)

Symic Bio is a San Francisco-based platform company with technology that focuses on the extracellular matrix. It has two product candidates in Phase II clinical trials – SB-061 for osteoarthritis pain and disease modification and SB-030 for critical limb ischemia associated with peripheral artery disease – with data expected in 2017. The company originally raised a $15 Series A round and extended the round by $25m a year ago, bringing the total raised since its founding in 2012 to $43m. (Also see "*Biotech venture capital off to a $659m start in 2015*" - Scrip, 7 Jan, 2015.)

Cerecor is developing drugs to treat diseases of the central nervous system, with lead drug candidates CERC-501 and CERC-301 in Phase II for depression and a preclinical in-licensed epilepsy drug candidate known as CERC-611. (Also see "*Deal Watch: Zymeworks Adds Daiichi To List Of Partners In I-O Cross Collaboration*" - Scrip, 30 Sep, 2016.) After reporting mid-stage data late last year, the company is raising money to fund future development. (Also see "*Pipeline Watch: Phase III Progress With*

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"We have more than 50% of our workforce are women, but then suddenly that attrition happens. The representation is not apportioned," Mohindru said.

Biosimilar Adalimumab And Trastuzumab" - Scrip, 2 Dec, 2016.)

Norwood, Massachusetts-based Corbus Pharmaceuticals is developing treatments for rare or uncommon inflammatory fibrotic diseases, including lead drug candidate JBT-101, a preferential cannabinoid receptor type 2 agonist that's being evaluated in three Phase II studies with a fourth planned to begin soon. The company reported positive Phase II results for JBT-101 in systemic sclerosis in November and plans to begin a Phase III clinical trial soon. (Also see "*ACR 2016 Roundup: Remicade Copy Not So Similar; Mixed Sirukumab Results; Corbus's Resunab Surge*" - Scrip, 16 Nov, 2016.)

Garyantes: I think a part of it, what I've heard and it seems true to me, is that people tend to … when there's a position that opens up, they tend to think of male colleagues first and the men are more willing to promote themselves and the women tend to need to be identified. So, if we all, in this room, think about that when we're being asked to hire someone … just have an extra thought on what women you know. I think it'll make a huge difference.

J. Jackson: And I also think we need to start a little bit earlier with women and teach them that it's OK to take risks and it's OK to fail, and that if you fail today, you'll get back up tomorrow. I mean, look at the men around you failing and they don't seem to worry, they just brush it off and go on. We really need to teach women that it's OK. I think there's a little bit of an intimidation factor if you're one out of 16 or if you don't see anyone at the top of your organization that looks like you, but we really need to promote them to be gutsy and I think identifying them is really important also.

Mani Mohindru: Also, get them to know that it's OK to ask. Get them to ask. It's harder for us to ask and it's strange that I was with some other woman from a big pharma company and she had a very good point – women are more "we" people and men tend to be more "me" people.

White: So, in a clinical development group, which we are, it is really terrific to have a bunch of "we" people.

Mohindru: There is nothing wrong about being "we" people, but it was an interesting

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perspective.

Celniker: I think that a lot of people have done research that says that in innovation environments diversity is key – diversity of thinking. [Diverse groups of] people think outside the box and things can happen, so I think diversity of thinking, diverse experiences, diverse styles, all of those things translate into a more productive, innovative environment, so that's one thing.

The other thing that is really interesting is that bias comes from who you know. It's not necessarily that I'm going to be biased against somebody's looks or accent, it's just [about] who I know, so the networking has got to change.

Why do most of us come to J.P. Morgan? To network, right? If you're raising money, that's a big part of it too, but even that is networking to some extent. And if you have a conversation with a number of gentlemen and you say, "When you're networking, do you look around and say, 'My gosh, why are there no women here?'" Most will say, "no." Whereas if you're talking to the women and you say, "Are you surprised that we're the only women here?" They're not surprised, but they notice it.

So, we have been working, at least in the Boston area, to try and figure out how we can catalyze not contrived, but natural networking – even if it has to be at the level below the C-Suite, so that we're working towards the future. How do we catalyze that kind of networking so people actually are thinking about that [female] counterpart the next time they're hiring? It's not intuitive in terms of how you make that happen without it being somewhat contrived.

J. Jackson: Well, do we change the way we network? I think about if women are uncomfortable with the standard form of networking, going to a cocktail party at J.P. Morgan and introducing yourself to somebody next to you, if that's not comfortable, what else can we be doing? Can we change the dynamic? Can we have a roundtable that is comfortable or smaller lunches or something else that would …

Morris: Without making it uncomfortable for men.

J. Jackson: Exactly.

Morris: Because then you organize these things that might be comfortable here, but are uncomfortable for the others, so …

Garyantes: And it's really a matter of having the men and the women talk to each other, you know? I always tell this story of my first job. There was the Israeli department, there was a Chinese department, the female department, whoever the head of the department was, they would look at a resume and they would recognize the schools and this and that from the letter –

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it's just naturally a human tendency that does hurt diversity and it hurts ideas and…

J. Jackson: And I think enough studies have been done to show that it hurts the bottom line, [but] it's difficult if you are the only woman on the executive level and you're hiring a new person and you say, "Well, I want to see a couple of female resumes, I just want to." You could get some backlash, because, you know, you'll still get this feedback that, "Well we just want the best person."

> *"Well, yes, we just want the best person, but let's make an effort to look at more resumes, to look at more diversity and not just females, but other diversities," Jackson said.*

Well, yes, we just want the best person, but let's make an effort to look at more resumes, to look at more diversity and not just females, but other diversities. I think it's really important and we have to really demand it, if we're in the executive level of our organizations, that we keep looking at it and keep talking about it.

Mohindru: And actually, related to that, you've got a good point – it's who you know. The resumes that come to you are people who you know and then it just so happens – like men end up knowing more men – and then if you find the right fit within the first two resumes, then that's the person you go with. But if you make up mandates on how to get [a diverse workforce] it is difficult conversation to have. So you extend your search a little bit, extend it further, because I'm sure there are people out there that are equally or more capable. But we haven't quite got there yet, so I think there has to be a conscious effort to spend some time and effort doing it.

Celniker: It's a diligence exercise, in a way, if you think of how when we go in to buy a company or when we go in to partner, people do diligence, they do tremendous diligence. Think about the teams in pharma that come in and spend weeks and days in data rooms and look at everything and they can never see enough data. They'll say: "I am not going to invest in this if I don't see the data." Now, bookmark that.

Go to your fundraising, what do they say? If you have an A project and a B team, versus a B project and an A team, which one do you invest in? They always say the A team. Always, right? So you diligence like crazy on these projects, but you're not diligencing like crazy necessarily on whether you have really found the best talent.

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White: So, the company I work with currently is my favorite company ever. I absolutely love this place and so does everyone working with me. The funny thing about hiring is I've never seen a group of employees more invested in who we hire. I can't get anybody by them; they have their own criteria and they call it the "awesome criteria."

So, someone has to be awesome in terms of their point of view and whether they are very different, so when we go to hire somebody, they discuss their "awesomeness." Because we're assuming everybody's got the technical characteristics that you want, so what's awesome? What do they bring to our awesome staff? I think that that's really important and I think if you can, you should focus on those kinds of things. I don't really focus on gender so much, I am more interested in whether they are awesome, because I've got to deliver a lot and I need an awesome team.

J. Jackson: I think you have to spend time doing the diligence on the awesomeness.

White: What you are really looking for is: will they fit in and work the way you want them to work, to deliver what you need to deliver, whatever that is? As long as we're open to understanding what we're looking for, then I think we'll end up with maybe a little more of a diverse group.

I mean, it's not just by gender, it's by other … it's by religious background, it's by cultural background. I mean, just take a middle child versus a first child. They approach the world differently. So, we've got to be receptive to those kinds of things and I'm personally a little hesitant to focus on, "Am I hiring enough women?" I'm focused on: am I hiring enough awesomeness?

[Editor's note: This transcript has been lightly edited for clarity and length. Additional portions of the discussion, focusing on diversity, financing, the value of innovation and dealmaking, will be published in the coming days.]

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