



Stanford eCorner

A Novel Approach Towards Sales and Research

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Video URL: <http://ecorner.stanford.edu/videos/1614/A-Novel-Approach-Towards-Sales-and-Research>

Joe discusses innovative practices put in place in the sales and research organizations within Genentech. He cites the 20% free time and incentives for publishing for scientists and the focus of the sales force on at most two products as major reasons for Genentech's success both in the lab and the marketplace.



Transcript

So I talked about research and our focus on biology. Our research scientists have a partnership with our physician scientists in development to develop hypothesis and test hypothesis for the intervention in these core pathways in different diseases and to look for useful and therapies and truly innovative therapies for serious diseases. Our manufacturing organization is committed to ensure that we have safe, reliable, reproducible material from research development and ultimately marketing. And then, as I said, our commercial organization has been established to really take what the technology gives them. So the core expertise of our commercial organization is in getting into and out of new therapeutic areas. So I think we have either or nine different molecular entities or products. Only one sales force talks about two products in that we have one sales force that talks about Herceptin and Tarciva because both of those products actually target different proteins in the same pathway, the HER2 pathway. All of our other sales forces, our sales people, only talk about one product. And unlike the traditional pharmaceutical companies where, historically, the effort was to build, to put lots of products in a single franchise to leverage across the sales force, we've really moved away from that towards to a promotional or commercial model that emphasizes two things. Customer service, making sure that people have primarily reimbursement, can get health care reimbursement for our drugs.

And two, medical education where primarily our scientists and our physicians are talking to other scientists and physicians to try and help the medical community understand how our new drugs can be used, how they shouldn't be use, what they can expect, what they cannot expect when they use these innovative therapeutic agents. Our research scientists are encouraged to spend at least 20% of their time doing undirected research. They don't have to tell anybody what they're working on. If the project fails, no one knows. If it's successful, they can come to the research organization and ask for additional resources. And I think this encourages the scientists or at least it makes it possible for scientists to try some things that may be high-risk but could be potentially very high-reward. Like Avastin, no one ever told Napoleone Ferrara go figure out how to make an antibody or to interfere with vascular endothelial growth factors so that we can treat tumors. That wasn't the idea at all. Napo was trying to understand the regulation of new blood vessel growth and formation. And when he made an antibody to a particular protein and discovered that it could inhibit blood vessel formation, that led to both Lucentis and Avastin, the two important products that I talked about.

Our scientists are encouraged to publish their work in pure review journals. We have 6,000 patents. Three of our scientist, Marc Tessier-Lavigne, Napoleone Ferrara and Richard Scheller.