

April Program
MONDAY, APRIL 25, 2005

TOPIC: **Japanese Deal-Making-- Are the Times a-Changin'?**

SPEAKER: **Mr. Kyle E. Murphy, Managing Director and Founder, KMG Japan**

There will be agreement among most business development/licensing people from the Western multinational pharmaceutical companies that doing business in Japan is "different." Kyle Murphy, Managing Director and Founder of KMG Japan, can attest to that first-hand, since he has lived in Japan and worked in the Japanese healthcare market for over 25 years. At this program, he will address the topic of deal-making in Japan and explain some of the vast cultural differences and current environmental changes affecting licensing and deals in the Japanese market.

According to Mr. Murphy, regulatory change, rationalization of the Japanese pharma industry (through mergers, slimming down of the hospital system in Japan, more focused target markets by the Japanese companies, etc.), and the seeming lack of any real formal financial analysis have all seriously impacted the deal-making process in Japan. Is this likely to change now, and will the Pharmaceutical and Medical Device Agency (the new Japanese FDA) have an impact on Japanese companies' perception of risk? Will there be movement by Japanese companies towards Western-style "MBA-type" financial analysis in valuing deals, rationalizing product pipelines and structuring more formal out-licensed pipelines? Mr. Murphy will address these issues in his presentation.

Mr. Murphy, who speaks Japanese fluently, has represented over 100 clients and structured numerous alliances between Japanese and foreign healthcare companies. Prior to founding KMG Japan, he served as the First Commercial Secretary in the US Embassy in Tokyo where he managed all trade negotiations and activities related to bringing U.S. companies into the Japanese healthcare market. He began his career in the healthcare industry with business development and marketing positions at Schering-Plough in Osaka, Japan and SmithKline in the U.S.