

How Gal appointment could influence strategy at Novartis



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The departure of Ronny Gal, one of the sellside's most respected and opinionated analysts, from Bernstein to become Novartis's chief strategy and growth officer will have many investors reading the tea leaves today. Clues might be found in some of Mr Gal's pronouncements over his 18 years at the investment bank. One of his biggest bugbears, for instance, was the lack of US drug pricing competition. In a famous open letter last April Mr Gal had urged Regeneron to "be first in discounting PD-1s", saying [Libtayo should be discounted to boost market share and give it a "brand halo"](#) - words that the drug maker did not heed. Novartis/Beigene's tislelizumab is awaiting US approval, though whether it can make an [impact on a large indication is up in the air](#). Mr Gal has also looked at [ways to improve uptake of biosimilars](#) - an area where the poor progress of Novartis's Sandoz has contributed to the sale of this division being considered. But perhaps the hottest topic will be M&A; earlier this year Mr Gal wrote that the small/mid-cap sector's decline put it in the acquisition frame, and suggested [protein degradation](#) as the next target for pharma.

Selected US indications for Beigene/Novartis's tislelizumab (VDT482)

Indication	Status	Supporting trial
2nd-line oesophageal squamous cell carcinoma	US Pdufa date Jul 12, 2022	Rationale-302
2nd-line NSCLC	Awaiting EU approval; possible US filing	Rationale-303
1st-line squamous NSCLC (chemo combo)	Awaiting EU approval	Rationale-307 (China only)
1st-line non-squamous NSCLC (chemo combo)	Awaiting EU approval	Rationale-304 (China only)
2nd-line oesophageal squamous cell carcinoma	Awaiting EU approval	Rationale-302
1st-line nasopharyngeal carcinoma	First filing due 2022	Rationale-309

Source: Evaluate Vantage.

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