COVID-19 SURVEY REPORT

BY: LACHMAN CONSULTANTS

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From March 31 through April 14, 2020, Lachman Consultant Services, Inc. (Lachman Consultants) conducted a voluntary survey of professionals working in the pharmaceutical, biotechnology, medical device and other sectors related to the greater life sciences industry. The purpose of the survey was to take a “pulse” of the overall organizational and industry impact of the COVID-19 pandemic. The survey was distributed through LinkedIn and by direct e-mail. The responses thereto have been reviewed and analyzed by Lachman Consultants and relevant observations are set forth herein. The information displayed herein is provided “as is”. Lachman Consultants makes no representations or warranties of any kind, either express or implied, with respect to the contents and information presented, including as to its accuracy, completeness, or reliability nor to the suitability of the information contained herein to a particular circumstance. Lachman Consultants will not be liable for any damages of any kind arising from the survey or publication of its results or the use of the information contained herein, including, but not limited to direct, indirect, incidental, punitive, and/or consequential damages. All original content, as well as the compilation, collection, arrangement, and assembly of information provided on these slides, including, but not limited to the analysis and examination of information herein, are the exclusive property of Lachman Consultants protected under copyright and other intellectual property laws. These presentation slides may not be displayed, distributed, reproduced, modified, transmitted, used or reused, without the express written permission of Lachman Consultants.
By a wide margin, respondents described their organization as global (63.16%) pharmaceutical (78.95%), while almost half described their current position as quality and regulatory (49.12%) and current location in North America (70.18%).

Almost half those surveyed (47.37%) anticipated work stoppages due to the pandemic. One-third (31.58%) of respondents expected a return to normal operations within six months, while another third (33.33%) did not anticipate resuming normal operations for a year.

Upon resuming operations, main challenges included clinical trial delays (26.32%) and diversification of supply chain (35.09%), while almost all (89.47%) expressed concern in the integrity of their supply chain.

However, only slightly more than one-third (35.09%) had experienced problems obtaining goods or raw materials to continue production.

Since the issuing of travel restrictions, inspections from outside the respondents’ country or region have seen dramatic reduction in frequency (89.47%).
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WHICH INDUSTRY BEST DESCRIBES YOUR ORGANIZATION?

- Pharmaceutical: 78.95%
- Biotechnology: 7.02%
- Medical Device: 7.02%
- IT Services: 1.75%
- CRO: 1.75%
- Software for clinical analysis: 1.75%
- Toys: 1.75%
WHAT BEST CATEGORIZES THE “REACH” OF YOUR ORGANIZATION?

- Global: 63.16%
- Multi-Continental: 14.04%
- Regional (Single Continent): 22.81%
WHICH CATEGORY BEST DESCRIBES YOUR CURRENT POSITION?

- Leadership: 29.82%
- Student: 1.75%
- Quality & Regulatory: 49.12%
- Project Management: 5.26%
- Research & Development: 3.51%
- Sales & Marketing: 7.02%
- Operations & Manufacturing: 3.51%
WHICH REGION BEST DESCRIBES YOUR GEOGRAPHIC LOCATION?

- North America: 70.18%
- Asia: 19.30%
- South America: 1.75%
- Europe: 5.26%
- New Zealand: 1.75%
- Africa: 1.75%
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IS YOUR COMPANY CURRENTLY EXPERIENCING OR ANTICIPATING WORK STOPPAGES DUE TO COVID-19?

- Yes: 47.37%
- No: 29.82%
- Not yet: 22.81%
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HOW WOULD YOU RATE YOUR CURRENT LEVEL OF CONCERN ABOUT THE INTEGRITY OF YOUR SUPPLY CHAIN?

- Very concerned: 45.61%
- Somewhat concerned: 43.86%
- Not at all concerned: 10.53%
ARE YOU CURRENTLY HAVING DIFFICULTY OBTAINING GOODS OR RAW MATERIALS TO CONTINUE PRODUCTION?

- Yes: 35.09%
- No: 26.32%
- Not yet: 38.60%
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ARE YOUR LOCAL PHARMACEUTICAL INSPECTION AUTHORITIES CONTINUING TO PERFORM INSPECTIONS?

- No: 49.12%
- Unknown: 36.84%
- Yes: 14.04%
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SINCE THE START OF TRAVEL RESTRICTIONS, HAVE YOU HAD ANY INSPECTIONS FROM REGULATORY AUTHORITIES OUTSIDE YOUR COUNTRY OR REGION?

- No: 89.47%
- Yes: 10.53%
HAS YOUR COMPANY SHIFTED, OR WILL YOUR COMPANY SHIFT PRODUCTION TO MAKE DRUG PRODUCTS, MEDICAL EQUIPMENT, AND/OR DEVICES OR SUPPLIES THAT ARE NECESSARY IN THE FIGHT AGAINST THE THREAT OF COVID-19?

No: 53.39%

Yes: 45.61%
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HOW LONG DO YOU ANTICIPATE THIS CURRENT SITUATION TO IMPACT YOUR BUSINESS’S ABILITY TO RESUME NORMAL OPERATIONS?

- 1 to 3 months: 17.54%
- 3 to 6 months: 31.58%
- 6 to 12 months: 33.33%
- Longer than 12 months: 8.77%
- No anticipated impact on operations: 7.02%
- N/A: 1.75%
WHAT ARE THE POTENTIAL CHALLENGES YOU ANTICIPATE UPON RESUMING NORMAL OPERATIONS?

- Supply chain diversification: 35.09%
- Regulatory slowdowns: 14.04%
- New regulations: 12.28%
- Clinical trial delays: 26.32%
- Sustaining R&D: 5.26%
- None: 1.75%
- N/A: 5.26%
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THANK YOU