A S A P Strategic Alliance Professionals Strategic Alliance Professionals OCTOBER 2021

Making History



What happens when two like-minded companies with similar values and complementary world-class capabilities collaborate on a project that has the backing of senior management and 100-percent agreement on an unambiguous mission up and down both organizations? They make history—and help to conquer a pandemic.

On the second day of the 2021 ASAP BioPharma Conference last month, attendees were treated to a behind-the-scenes look at the supply chain partnership between The Janssen Pharmaceutical Companies of Johnson & Johnson and Merck that brought Johnson & Johnson's COVID-19 vaccine to the people in a session appropriately titled "A Win for the World: The Johnson & Johnson/Merck COVID-19 Vaccine Collaboration."

This Big Deal Was a Very Big Deal

As Leigh Cherry, vice president of strategic business support at The Janssen Pharmaceutical Companies of Johnson & Johnson and a 30-year pharmaceutical supply chain veteran, put it, "it takes a village" to set up complex manufacturing processes. So how were these two big-pharma bluebloods able to operate at "light speed," in Cherry's words, to get vaccines to the masses?

First, it certainly helped that no effort was needed getting senior leadership buy-in, alignment on objectives, and more resources than any alliance manager could dream of for a single collaboration. With the whole world watching and desperately hoping for a vaccine that could get us back to some semblance of normal, no one was going to argue that this collaboration took priority.

"Anytime you get the CEOs of two companies [together] with the president announcing a collaboration, it tends to be a big deal," said **John Glavas**, associate vice president of external manufacturing and strategy at Merck. That was the US president in this case, **Joe Biden**. "Anytime you get the CEOs of two companies [together] with the president announcing a collaboration, it tends to be a big deal."

Threading the Needle to Stitch Unique Requirements Together

Yet senior executive sponsorship wouldn't be enough if the partners weren't a strategic and operational fit. Although many companies would theoretically be champing at the bit to get a piece of the massive government contracts—the United States committed over \$1 billion alone—and sizable spotlight, the reality was that few organizations could meet the very specific requirements for Johnson & Johnson's vaccine and quickly mass-produce it on a global scale.

"It's really like threading a needle. You really need process and compliant controls, highly trained people, [and] technical facilities and equipment, but it's not just that. The specific aspects of the product led to a number of other requirements that were quite difficult to fill," said Cherry.

Indeed, Johnson & Johnson's vaccine called for a high-yielding drug substance location with sterile filling capacity, storage at temperatures of minus 20 degrees Celsius or colder, and specialty vessels, among other safety and environmental requirements. Oh, and did we mention that the entire world needed the vaccine yesterday?

No problem for Merck. Fortunately, it had plenty of manufacturing resources available after COVID-19 ground a great deal of its operations to a halt and its own vaccine candidate failed to come through. It also brought the deep vaccine-specific expertise and infrastructure needed to create a product like this rapidly—and carefully.

"Our journey to Merck was really about finding a capable, compliant, reliable partner that had capacity," said Cherry.



COVID-19 VACCINE COLLABORATION

Amazingly, Merck was ready to compress a technology transfer that normally takes years into a matter of weeks. Thus the two sides wasted little time in signing an agreement.

"These transactions typically take months to materialize," said Cherry. "It took about a week to pull together, but it was a pleasant week. It was about shared values, trust, motivation up and down the corporation. It really was a very nice fit."

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"Everyone at Work Was Willing to Jump In"

The cultural fit between the two organizations proved to be as snug as the operational one. Both Merck and Johnson & Johnson preach a patient-centric approach to business.

"Medicines and vaccines are for the people," said Glavas, summing up Merck's philosophy. "We're really trying to live up to that and continue to make sure we do everything we can to put the patient first."

Similarly, Johnson & Johnson's credo is all about "putting the needs of people that we serve first," according to Cherry. "All of our decisions are made with the patient in mind."

With so much at stake, recruiting people in both organizations to serve on an alliance that would impact millions of patients around the world was a breeze.

"Everybody wanted to help—I mean everybody, even friends and neighbors. Everyone at work was willing to jump in and help," said Cherry.

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Fitting Hand and Glove: Merck and J&J Act as One

From the start, employees on both sides had no problem thinking of the team as one and prioritizing immediate outcomes that would fast-track the collaboration.

"We were really trying to look at this as one single company with a very, very common goal," said Glavas. "At the end of the day, we're just trying to make sure we do what we can to deliver this product."

Moreover, many of the two organizations' processes meshed well

"One of the key attributes of successful projects and alliances is having a good project management system," said Cherry, who noted that Merck's and Johnson & Johnson's "fit hand and glove."

Shared Values and Creative Solutions for When Things Go Bad

As they continued to engage in the field, all parties realized that the cultural fit extended beyond core values. The organizations also dealt in a similar manner with the inevitable hiccups that come with executing an initiative of this magnitude in such a short timeframe.

"Things do go bad. You have to adjust. You have to pick up the phone and have that conversation," said Glavas. "[With] these shared values of being collaborative, open, and transparent, you can overcome any of these issues that faze you."



COVID-19 VACCINE COLLABORATION

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Flexibility was key in overcoming obstacles in short order. Glavas recalled that there were several moments when changing circumstances rendered the collective team's original plan moot—he cited the global shortage of certain materials as one example. He said the team pivoted very effectively when the situation called for a quick and decisive change in course.

"It's one thing to have to find new technical solutions, but you have to do that with your third-party suppliers," said Glavas. "You have to be really open to being creative with these solutions that sometimes aren't our initial approach to solving problems."

Less Is More: Limit Governance and Avoid Being Too Prescriptive

Yes, C-suite executives, senior vice presidents, and other key company leaders convened in joint steering committee meetings to stay aligned and informed, but Glavas found that less was actually more in a high-functioning alliance like this.

"We try not to make too many [governance meetings]. When you bog down [the alliance] in governance, you get in the way a bit," he explained. "We're not having the meeting for [the sake of] having a meeting."

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"If we had to use CEOs for rapid escalation," he added, "[then] we are not doing our jobs right."

Cherry echoed these sentiments, noting that one key to the alliance's success was that upper management refrained from being "too prescriptive."

"It takes the creativity and innovation away from the team," she said. "We trust each other that we're going to work it out."

Indeed, the informal governance between personnel in the field worked so effectively that it paid to let those employees solve problems themselves.

"It's really [about] trying to get out of the way, and letting the individuals from each organization strive towards that solution," said Glavas.

"The companies have such common values that everyone up and down the pike knows what to do," said Cherry, who added that it's better to give "people on the 'shop floor' the ability to make those decisions and to work among their team, who really are the experts, to resolve any of those issues and move us forward."

"We Really Left Everything on the Table"

Ultimately, this alliance offered the rare opportunity to do something unprecedented in alliance management and be a part of world history. With that on the line, this is one alliance initiative that will stay with its participants forever.

"When you look at your career, there are a few defining moments. This is one of ours."

"I've been in the business for over 25 years, almost going on 30. I have never seen two companies get together so fast and really drive toward this common goal. I feel very privileged and very much honored to be a part of that," said Glavas. "Every employee, when you look at your career, there are a few defining moments. This is one of ours. As we look back and see everything that we did, we really left everything on the table to bring this vaccine forward."



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As a practitioner of collaboration in a variety of perhaps non-traditional alliance functions myself, I've found so many key elements of partnering and collaboration management for synergistic outcomes were perfectly encapsulated by ASAP's offerings.

> —Kevin Little, CSAP Senior Partnership Director Novo Nordisk



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