

Innovation: As Many Questions AS ANSWERS

► *John Nosta, President and Founder of Nosta Labs, challenges the status quo in discussing the state of innovation in the industry.*

PV: Can the pharmaceutical industry evolve based on its current organizational structure and incentives?

NOSTA: No, I don't think the pharma culture wants to change. There is an interesting Harvard Business Review article that identifies culture as the single biggest obstacle for innovation in big companies. That's a big deal. I don't think the pharma brand is structured around innovation. But, before we even talk about having an innovative culture, how do we define it? What is the culture of innovation? I understand the premise of wanting to get a drug to market sooner by accelerating a drug development process, but if someone tells me he or she wants their company to be more — whatever the word we want to use is — this is subjective versus objective. Everyone has his or her own interpretation of what innovation is. Therefore, they have their own strategy, tactics, and implementation. It's worse than a moving target — it's no target at all.

We have to remember, a lot of people stay in a job for a year or two, they get their ticket punched, and then they want to move on. This leads me to believe they are not really interested in innovating. To me, the provocative question is: Is the model broken? I would pose a simple test to the PharmaVOICE audience: How many people have engaged in a telemedicine visit with a doctor? I would be surprised if it's more than 10%. We have no business talking about innovation if we aren't living innovation-driven lives.

PV: In your opinion, is the pharma industry headed into an innovation brick wall?

NOSTA: No, I think the pharma industry is poised for a great future. And, I don't think that pharma is going to be gobbled up by Apple and Amazon. I think people tend to talk in an echo chamber and innovation is the buzzword of today. Where do pharma companies look for innovation? Where do advertising agencies look for innovation? I think those are really basic questions that we should all be able to answer.

I know a lot of people may disagree with me, but if I'm dying of cancer, I want the best drug that works. I'm not concerned with how relevant the patient communication is. The promise of immuno-oncology is a profound game-changer in

pharmaceutical science. This is the life-changing, game-changing innovations of the business of pharma. This is what we should own as an industry.

PV: So when you talk about innovation, how do you like to frame the conversation?

NOSTA: I like to have a contextual discussion around innovation. I believe that innovation is not doing all things in an innovative way. For me, innovation is finding that unique spot and applying innovation to that specific area. For example, I want to know who is making those big decisions to leverage social media to drive drug trial recruitment instead of having conversation about how we make leading organizations more efficient. The list of things to do is too long. To simplify the discussion, suppose I wanted my child to go wash the car and I gave him a list of 20 things he could use and he decided to use all of the things on the list. That's not efficient. He needs to use a hose, a sponge, and a bucket of soap. But we often cling to everything because it simplifies our decision-making processes. It allows us to be all things to all people, which means we end up being nothing to no one. I think this is part of the innovation dilemma. We want to do so many exciting tactics, many of which we know nothing about and say, 'Let's do them all.' Innovation strategy is about saying no. And it's a business decision. The other side of the innovation equation is saying yes with a timeline. This is all about the notion of failing fast. And fundamentally, we don't like to fail, even though in the life-sciences industry we are defined by failure. Innovation is failure. Getting better at testing new ideas, failing fast, etc., are all part of that abstract dynamic.

PV: The other buzzword is disruptor; what is your take on disruption?

NOSTA: Everybody wants to be a disruptor — 'Let's disrupt the marketplace.' But if everybody at Company X were a disruptor, nothing would get done. It's about finding the correct disruptors or disruptions and empowering them. To me, this is a really rich discussion. Disruption has become a generic term, which is antithetical to its true intent. The key point here is that while we need a few disruptors, the simple reality is we need a lot more implementers to follow that disruptive lead.



John Nosta



Celebration

Sept. 13, 2018

Alexandria Life Sciences, New York

2015 PharmaVOICE 100 John Nosta, president and founder of Nosta Labs, will moderate this year's Celebration Executive Forum: Transformation. Joining John on the panel are:

- **Sharon Callahan, PharmaVOICE 100 — 2017**, CEO, TBWA\WorldHealth; Chief Client Officer, Omnicom Health Group
- **Patrick Lindsay, PharmaVOICE 100 — 2007**, President, United BioSource Corporation
- **Wendy White, PharmaVOICE 100 — 2012, 2015; PharmaVOICE Red Jacket — 2017**, Chief Patient Officer, Vitrisa Therapeutics
- **Ben Wiegand, Ph.D., PharmaVOICE 100 — 2018**, Global Head, World Without Disease Accelerator, Janssen Pharmaceutical Companies of Johnson & Johnson

We are in one of the most profound stages of human history and we should embrace a saying from the Upanishads — the ancient Hindu culture — that states simply: 'As you think, so you act. As you act, so you become.' We need to change the way we think — and that's difficult. But we need to adopt a 'change mindset' to help us attract, find, and implement innovation. **PV**

Editor's Note: Nosta Lab is a healthcare "innovation think tank" that focuses on the emergence of digital health and the implications to health, wellness, medicine and the pharmaceutical industry. The focus is on the development of technology, strategies, and communication platforms that will transform health. Mr. Nosta @JohnNosta was named as the top health tech influencer to follow in 2018.

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Celebration

September 13, 2018

Alexandria Center for Life Science • New York

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