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*In this episode, Taren Grom, Editor-in-Chief of PharmaVOICE magazine meets with Dr. Helen Torley, President and CEO Halozyme.*

**Taren:** Dr. Torley, welcome to the PharmaVOICE WoW Podcast program.

**Dr. Torley:** It's a pleasure to be here, thank you.

**Taren:** We're delighted to recognize you as one of our PharmaVOICE 100 honorees. You came to the home of Halozyme just a little more than five years ago, what led you to take this significant leap?

**Dr. Torley:** Yeah, thanks Taren. My desire to become a CEO really was the logical next step in my career where I've been in the pharmaceutical industry about 30 years and I have a desire having gone through many different disciplines and experiences to become a leader building a great company, but also seeing if in parallel we could have great culture and a place where employees really felt inspired and energized to work.

I started my career as a doctor actually, a rheumatologist in clinical practice. I joined the industry initially in clinical development then I moved into marketing positions and business leadership positions and was able to really bring all of those experiences together with this desire to take over and create a great company which is exactly what we're seeking to do and making good progress to Halozyme.

**Taren:** That's fascinating. So, talk to us a little bit about how you are using each one of those skillsets in your CEO role.

**Dr. Torley:** I think the first thing is I came into Halozyme one of the first things to do was to define a strategy for the company. When I joined the company it was exploring our science in multiple different areas with as diverse areas of interest as oncology, drug development to diabetes to cellulite actually. And one of the first things I did was to define a strategy for the company and that's where I was really able to bring my clinical expertise, my commercial expertise together and my business expertise to say what are going to be the areas that have got the greatest potential for the future for where we can focus because when you're a small biotech you can't do everything in parallel.

And that was 2014 and we selected focusing in oncology and on our ENHANZE platform at the two areas that had the greatest potential and over the last five years we've really

been working to unlock the value that we saw in each of those pillars that has resulted in the growth of the company that you see today.

**Taren:** Since becoming CEO you have doubled the market value of Halozyme and dramatically increased revenue to more than 300 million for the most recently reported fiscal year. In addition to focusing your effort, how else did you orchestrate the significant turnaround?

**Dr. Torley:** So, we defined the strategy. The next thing is really to make sure everybody in the organization understands that strategy and understands how they're contributing to it. And so every year we go through a process of defining very clear goals for every member of the company, but importantly helping everybody understand how they personally contribute and advance to the goals and realization of the strategy for the company. To help that happen, I built a strong and high-functioning executive team who truly work together to realize our strategy and to build a great culture.

Many companies fail because they don't have that cohesive leadership team and I'm very proud of both the technical skills we have in our leadership team, but also how they support each other to assure business success and then we've also very much set clear expectations of how the entire company will work together. As you know, drug development is a team sport. People have to collaborate. They have to share information. They have to debate how to go forward because often we're creating new paths. And so we have a very strong culture of teamwork and we've been training everybody in how we can even raise the game on our cross-functional team working collaboration, so those really are the ways that we are making such good progress as a company.

**Taren:** Can you elaborate a little bit more in terms of that collaborative spirit? Because I think you're right, there are a lot of organizations that have high-functioning teams, but they don't always operate as cohesively as their CEOs would like. So, how do you engender that cohesion within your organization?

**Dr. Torley:** The first thing I'll say it takes time. As a leader you have to set aside time that the team is not working in operational things or in strategy, but simply on their cross-functional communication and collaboration and I'm a huge supporter of the book by Patrick Lencioni called *The Five Dysfunctions of a Team* that really sets out the principles as to how you build cohesive teams to have each other's back in good times and in bad times and at the very basis of that and the most important tenets I think are building trust and that trust is not how we usually think of trust at some vulnerability on the part of every team member to recognize they might not always know the answer and to be vulnerable and to ask for help.

That is one of the key things I have seen that really helps gel a team is everybody understands that there are other people around to help them. And the second one is

accountability. Every team member has to be willing and open to have the debate with their peers and feel that it's not personal, but we're just trying to advance the company. But once the teams agree to move forward, hold that peer accountable to deliver for them and feel comfortable saying as an example you said you would deliver this document to me by X date, we don't have it, when might I have it and you'd be surprised how many teams don't feel comfortable having that type of open dialogue.

And so if anyone hasn't read *The Five Dysfunctions*, it's an easy read in the style of a fable, but there are so many important lessons and you'll probably all recognize companies you work in or situations you've been in and it's a very powerful book to take the lessons learned and to use it to create cohesive teams. We've actually now trained the entire company on these principles. It started with the leadership team, but we've trained the entire company on the principle and it really had helped open up that openness to debate actively and hold each other accountable.

**Taren:** One of the core tenets of Halozyme Foundation is that of value-based partnerships, which is a bit different from the other models of biotech companies. Why do you believe partnerships are the key to your company's success?

**Dr. Torley:** Yeah. Halozyme actually has a unique business model. We have one-half of our business focused on the partnerships you're talking about, we call that our ENHANZE business and with the other part of the business focused on proprietary noble drug development. We're developing a drug for patients with pancreas cancer. The partnerships are very important to us because they actually are generating revenue for us today. As our partners use our technology to transform their drugs that today have to be given intravenously into drugs that can be given in a shorter, simpler injection underneath the skin, this results in us receiving revenue from milestones, but also from royalties as they enter the marketplace.

And that has been very important in us being less dependent on the capital markets for raising money, but also able to invest in advancing our own oncology drugs. The tenets we talked about as to how we'd see them you're absolutely right are also very prevalent in our partnerships. We have eight partnerships to date with leading companies including Alexian, Janssen, Roche and we have team members who are very much integrated on the said development programs where the companies are working on creating subq versions, providing advice, giving our expertise and really helping the drug development process along so that we can get a new delivery option for patients because when you think about some of the patients today they receive IV therapies for a long time and have to spend time in the infusion suite.

If we can shorten that with a simple subq injection, it's very much focused on our mission as a company which is to improve the lives of patients. And so we were very pleased with the breadth and depth of our partnerships which are very important part of our culture here too.

**Taren:** What excites you about the future of the ENHANZE technology?

**Dr. Torley:** It actually was the foundation for the company. The first key science officer actually studied the science around our ENHANZE technology as his Ph.D. and he recognized it probably had many applications in patients and one of the first ones that he had the company pursue was this ability to be able to transform intravenous drugs into drugs that can be given underneath the skin and for patients I'll use an illustration because we've got some upcoming potential filings, all of new drugs that are today have to be given intravenously that are going to be transformed with ENHANZE and I think one of the most exciting drugs out there today is called daratumumab (or Darzalex). It's for patients with multiple myeloma. Fantastic data for patients with myeloma showing a very positive impact in progression free survival and overall survival.

But today many patients need to receive it over four to six hours into the vein and these patients were on therapy for a long time because they survive for many years with multiple myeloma and what we are testing with Janssen in phase 3 study is the ability to give it in just three to five minutes underneath the skin. So these patients are going from four to six hours to get their therapy initially every week to just three to five minutes and when you think about what that can mean for a patient who is wanting to recover from the diagnosis of cancer, who wants to get back to their normal life, we believe these products will play a very important part in that. So, we're incredibly excited not just one of – we actually have 15 products in development by the end of the year or marketed using our ENHANZE technology.

**Taren:** All I can say is wow. How life changing this will be for that multiple myeloma market as well as for the other markets you're looking into. That's remarkable result.

**Dr. Torley:** It is and it really comes down to the power of our science and the terrific work from our team members who partner with Janssen who are developing this to reduce the burden of treatment for patients and so this is why these partnerships are so important, that we'd get companies who really want to make a difference in the lives of patients and we're delighted our technology fits into that vision and can play a part of it.

**Taren:** Amazing. Congratulations. The other area that you talked about was going into the pancreatic cancer market and we know there's tremendous unmet need there, why did you tackle such a tough cancer?

**Dr. Torley:** Yeah. It is recognized as you say a very tough cancer. Today, we're studying patients with metastatic pancreas cancer and the five-year survival is just 3% and that have not improved over the last five years meaningfully and so when you're going into this cancer it was going to be very hard. What led us into this cancer is really the science. We know that about 35 to 40% of pancreas cancer patients have high levels of a sugar in their tumor called hyaluronan and this hyaluronan serves as a barrier to the

access of cancer therapies to be able to get to the tumor where you want them to work. And we've been able to show in our animal model that when we give our drug which is called PEGPH20 that can temporarily break down that barrier hyaluronan and we get increased concentrations of the chemotherapy reaching the tumor cells where they have a greater chance of working.

And so that's why the science led us to embarking on a phase 2 study that we completed a couple of years ago and we're now on the brink of a data readout from a large 500-patient phase 3 study, which is in these metastatic pancreas cancer patients with high levels of hyaluronan in their tumor looking at PEGPH20 on top of today's best standard of care versus the best standard of care and for the company and for everybody who has been involved in the treatment of pancreas cancer this is a very important readout.

There had been a number of failures in pancreas cancer. We are hopeful that by the way we've designed the study and by the science and the applicability of our science to pancreas cancer we're going to have a successful outcome and one of the few recent successful outcomes in pancreas cancer, but we got to wait until the end of year for that data readout.

**Taren:** Well, I look forward to hearing about that readout and I am very hopeful that the science bears out too because this will be a tremendous breakthrough. Good luck! You were recently at the JP Morgan conference in San Francisco. What are some of the key takeaways that you had at the conference?

**Dr. Torley:** For Halozyme, there is a lot of excitement about our story. The upcoming data readout in daratumumab has certainly grabbed a lot of people's attention because of the recognition of what this could mean for patients and also the recognition that we will have the answer on the pancreas study by the end of this year. So, we had a super series of meetings with current investors and future potential investors in the company. I think overall I walked away and obviously as we went into JP Morgan there were a number of M&As announced.

I think this is going to be the year where we're going to see a lot more consolidation in the industry with more companies, large companies, the large pharmas looking to acquire their pipeline through acquisition. I think we all thought that was going to happen in 2018, it didn't. 2019 is off to a strong start and I personally think we're going to see a lot more of that happening this year.

**Taren:** Thank you so much for your perspective. I appreciate it. Switching tacks a little bit, before joining Halozyme, you were instrumental in bringing several new drugs to market. Talk to us about those experiences.

**Dr. Torley:** Thanks for that question. I think this is where the experiences I've had of being involved in bringing drugs to market both from the design of the pivotal studies

through the regulatory strategy through FDA advisory panels, label negotiations and then the actual launch both from a marketing perspective and the sales perspective as I've had roles in each of these disciplines really gives a very good perspective. I think I was trying to kind of – I think I may have been involved in some way in more than eight FDA advisory panels and I think that type of experience just helps you think about and prepare by understanding how to in particular articulate what the risk benefit of your new drug is, every drug obviously has got an efficacy profile and a safety profile, summarizing that into how this fits into the landscape for what patients have available today is a very important part of getting your drug approved.

And so I think my experiences I've had that's been one of the things I've learned how to do over the years. I think also what is important and this perhaps comes from both the medical and the marketing side is understanding why patients should use your drug versus what's currently available. It's very seldom that we bring drugs forward where there aren't already options and so in developing drugs I always have that perspective as to where this will fit in and making sure we do the clinical studies that help physicians know how and when to use a new drug.

Sometimes when I started in the industry we were doing studies that I found were not helping physicians with that and I quickly started designing studies that would allow us to say this is the type of patient who would best benefit and this is the setting after this or this drug. So, I think that bringing drugs to market a very important part, that you're very clear as to where you are designing the drug to be used and then obviously to make sure that it's going to be used appropriately in market that everybody understands the right patient population, how to dose and use the drugs, so being able to take all of the different learning and we're applying that obviously at the moment to our PEGPH20 program where we're in phase 3 clinical development data readout this year.

This is the time you start preparing, thinking about how you're going to – you have this drug used in the marketplace, where you're going to launch, who are the physicians who are most likely to use it, so we're actually very actively beginning our commercial planning assuming positive data for the launch of the drug and it's been great to have a team here who have also done many launches and for us to discuss and debate all of those questions that are key to success when you're launching new agents.

**Taren:** What another wonderful example how your physician training is enhancing your approach to drug development. You are an outspoken advocate for sponsorship. Why do you believe this is an important career development option?

**Dr. Torley:** I think my own personal career is probably why I feel so strongly about it. It's been written about many places that there are a lot of people and sometimes there's a gender preference in this where people don't raise their hand and ask for promotion, ask for more responsibilities. If you're like me at the start of my career, I just assumed if I

did a good job, worked really hard and showed results rewards would come. I happen to have been very lucky that that's the case, but it's not always the case.

My experience with sponsorships are many but I'll give one example where and it actually was at a leading biotech company in California where I was working in a particular function. It's called strategic marketing and I was in the immunology side and one morning the head of all of marketing came down and said, "I'd like you to take over one of the business units." Now, this was a business unit that was selling over \$2.5 billion in sales every year and I was pretty surprised by the request, but he had watched me as I had navigated joining the company. He'd watch how I led. He looked at my résumé for my breadth of experiences and said 'this is somebody who can learn. I'm willing to take a chance on putting her in this very important role in the company.'

And that is how I think about sponsorship is you bet on somebody who has shown potential for whom you believe have got the leadership to be able to scale into a new role. If that hadn't happened, my career would have been very different. And so that happened to me several times in my career and so for those people who aren't going to raise their hands and ask, I think it's really important companies consider these sponsorships for those that they believe has high potential, the people who are going to be the future leaders in the company of large functions or divisions. Take them out of their comfort zone. See how agile they really are and there is nothing quite like it in terms of an accelerated learning environment, so I can tell you the first year was very tough in that new role because I was learning everyday. It wasn't natural to me what I was doing, but after that initial period I obviously got a lot more comfort and skills in the job and it set me up for my next job of being Chief Commercial Officer.

So that's why I'm a huge advocate in Halozyme even though they were a small company. We've been working hard to seek to implement that type of approach. Now, it is hard to do – managers don't like giving people without the absolute direct experience key roles in their organization. An employee sometimes don't like taking the risk, but if you want give people the opportunity and you want to really understand who your true future leaders are, I just believe in very passionately as you hear in sponsorships as a way to deliver that for the company.

**Taren:** That's wonderful. So in addition to encouraging women to take roles that they might be uncomfortable with and raising their hand, what other advice do you have for women who aspire to reach the executive level and may not have the benefit of a sponsor or even a mentor?

**Dr. Torley:** Mentors are important, but don't rely on mentors. There's lots of definitions for these things. Mentors don't tend to have an ability to support and advance your career, sponsors do and that's the kind of distinction I make between the two. So, mentors are super, but seek sponsorships. Go and ask somebody in the company who you think would be a great supporter of yours. Would they be a sponsor for you and

supporting you getting a broader role? It's hard to ask those questions, but what's the worst thing that can happen? Somebody can say no.

I think it's also very important you make your aspirations clear. Unfortunately, some people make assumptions that perhaps if you happen to be a woman with two children people might think she probably doesn't want expanded responsibilities. So, I think it's also really important you have the conversation with your manager about your career interest and aspirations so that they know where to fit you in if they're not actually asking you for that type of thing. And then the third thing is and as a general rule we as women don't do terribly well at this, it is having a network, but it's having a network of people who can influence your career, not a network of people you're comfortable with.

So again, you've got to go a little bit out of your comfort zone because many of the opportunities will come from the network that you have established if it is a network of people who have got an ability to place you in positions that would expand your role or responsibilities. I think those are some of the key lessons I've learned in my career. I'm a horrible networker, but I'm working hard to do better though.

**Taren:** Well, thank you so much and thank you for clarifying the difference between sponsorship and mentorship. Over the years, you may require different types of mentors, but you're right at those sponsors who are willing to put their skin in the game for you so to speak and who do look out for you and for your career progression. So thanks for making that distinction for us. You are obviously a driven and innovative leader, so I'd love to know what gets you up every morning, what drives your passion?

**Dr. Torley:** It is partly my physician background. It's this desire to be able to make a difference in the lives of patients. I've had the honor of working on many important drugs in my career. I cannot be more passionate about seeing can we make a difference in the life for pancreas cancer patients. So, when you have an important mission like we do in the biotech and pharma industry, I think that's really all the motivation you need to get up everyday and figure out how you're going to solve the problems, how you're going to get new innovative medicines to patients faster and there is no more proud feeling in the world than getting a product approved that you know is going to help patients.

**Taren:** How do you define success for yourself and how do you celebrate success?

**Dr. Torley:** At Halozyme, we have a number of ways to celebrate and we're constantly looking to do it better. I don't know if there's any company that our employees would say yes, we feel we celebrate well because you tend to just move on to the next thing. What we do is – example is when we have a major event, we will celebrate in our carpark with a champagne toast and cupcakes. That is a little bit one of our traditions when we have a major event, but I think you know what I have found over the years and I can tell you is true, a simple thank you note, handwritten left on the desk of an employee is



incredibly motivating. I know when I've had those from leaders in the company, it just makes you feel I'm being recognized for my contributions and so you can do the whole range from all company celebrations turn to that simple thank you, I recognize that you went above and beyond and that's incredibly important.

We also at Halozyme have team awards. We have one that's called the One Team Award and that really is to celebrate and have us take an entire team for a special lunch or dinner where we just recognize how well they work together to have a major accomplishment for the team. So we really have a whole range of them, but I think the most powerful is a simple, sincere thank you I will say.

**Taren:** Those are great ways to celebrate success and thanks so much for sharing those with us. Finally, what's the one piece of advice you would give to your younger self?

**Dr. Torley:** Yes, thank you for that. I thought long and hard about this and I'm going to go with the first one I thought about and that really relates to when you're pursuing a career and you're having a baby and obviously my experience was as a birth mother, but I think this applies equally to the birth fathers and that is I felt a lot of personal pressure. There was a little pressure in the company that I returned to work very quickly. My advice to people who ask me about this nowadays is take the time, come back when you are ready both for the mothers and the fathers.

This is an incredibly important time, a very emotional time for everybody and I think the days of returning back after six weeks are no longer the norm, but I think for some families taking that little bit of extra time is going to be right for them. So, I think that is the bit if it means your career is going to be delayed six months then so be it. You have many more years of career ahead of you and you will never get that time back with the baby. That is my piece of advice.

**Taren:** I want to thank you so much for being part of our WoW Podcast program and I want to wish you continued great success.

**Dr. Torley:** I really appreciate it. Thanks so much. It's been a pleasure talking with you.

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