

Can a Single Product New Company Survive: Iovance Biotherapeutics

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Abstract

Iovance Biotherapeutics was a small publicly traded biotechnology firm that had its first product, Amtagvi, approved by the Federal Drug Administration (FDA) in February, 2024. Despite this scientific milestone, Iovance confronted infrastructure and financial challenges if the company wanted to commercialize (produce and distribute) Amtagvi. The interim CEO emphasized there were only three viable options to commercialize Amtagvi, and immediate revenue was needed to implement any one of the feasible options and sustain the company. Readers are asked to use pertinent structural, strategic management, and financial concepts to propose how the interim CEO should reallocate limited resources across the firm, as he recommends to the Iovance Board, which strategic commercialization option is best to sustain a single-product biotechnology firm.

Learning Outcomes

In completing this assignment, students should be able to:

1. Identify effective short-term structural and product strategies for post-clinical biotechnology organizations with a growing infrastructure and financial losses to survive.
2. Analyze and defend feasible options that allow single-product biotechnology firms to sustain commercialization with limited resources.
3. Evaluate the financial long-term viability of single-product organizations with short-term liquidity challenges.

Application

This critical incident is most appropriate for graduate and advanced undergraduate courses in management, strategic management, biotechnology management, product marketing, and innovation management, as well as graduate management classes in biotechnology commercialization, healthcare strategy, related life science fields, and workshops for life science industry professionals.

Key Words

strategic management, commercialization, biotechnology management, product marketing, and innovation management

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