



## Case Study A: Phase 3 Data for Drug with Mixed History

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### IR Challenge/Opportunity

Company A went public two years after announcing negative Phase 3 results for its lead product candidate. Post-IPO, the Company had a limited number of shareholders, a mixed reputation on Wall Street and pending Phase 3 data for the same product in a new indication. Stern IR was retained initially to enhance visibility and awareness in advance of the announcement.

### Strategy

- Build credibility and visibility on The Street
- Educate investors and research analysts about the use of the drug for the new indication and the future direction of the Company
- Lay the groundwork to create positive “buzz” around data announcement

### Tactics

- Conducted broad proactive outreach to all IR audiences, scheduled numerous roadshows and lobbied for presentation invitations at several conferences in the months leading up to the data announcement – secured 5 conference invitations in 7 months between IPO and data announcement
- Hosted a successful analyst and investor day two months before the data announcement, to lay the groundwork for the pending news; attracted many potential investors that were new to the story
- Conducted extensive scenario planning and preparation for the announcement and managed all company communications so that they were clear and digestible to The Street

### Results

- Stock rose over 200% after the positive data announcement
- Visibility achieved allowed for a successful post-data follow-on financing 2 weeks later, raising over \$30 million
- Investor base more than tripled the following quarter



## Case Study B: Small-Cap Company with Limited Visibility

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### IR Challenge/Opportunity

Company B was in the process of rebuilding and refocusing its pipeline and had only a single research analyst whose coverage no longer fit with the Company's portfolio. Stern IR was retained initially to help them build a new following of research analysts knowledgeable in the Company's area of expertise to initiate coverage.

### Strategy

- Begin an active, targeted sell-side program designed to introduce the Company to many of the industry's key research analysts
- Aim to obtain several coverage initiations, and over time, a mix of different tiers of coverage, thereby reaching a broader audience and increasing credibility

### Tactics

- Kicked off the program with a week's worth of meetings at the annual JPMorgan healthcare conference, one of the year's top industry events, where the Company met with a number of key firms and contacts in the industry
- Revised the Company's messaging in its corporate presentation, press releases, earnings conference calls and other key documents
- Created a distribution list to help promote company news to key industry contacts
- Scheduled roadshows in key areas to meet with relevant sell-side contacts
- Courted analysts and investors with an event to celebrate data and an upcoming clinical trial initiation at a major industry scientific conference
- Recommended and supported bank-sponsored roadshows

### Results

- Established relationships with a broad spectrum of analysts
- Three new sell-side analysts at boutique banks initiated coverage of the Company within the first year of the IR program, and several additional analysts, some at top national banks, expressed serious interest in initiating
- The Company presented at twice as many investor conferences as the year before and saw its stock rise about 50% vs. the BTK

## Case Study C: Early-Stage Biotech IPO

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### IR Challenge/Opportunity

Company C had a novel discovery platform, premiere scientists, and a strong management team. Stern IR was retained initially to ensure they would have a successful IPO during a time when later-stage stories were favored over preclinical platform companies as IPO candidates to create a more stable shareholder base specifically looking to add investors with longer term horizons.

### Strategy

- Identify a strong syndicate of risk-averse banks for the IPO, including a bulge-bracket lead bookrunner and 3-4 supporting banks
- Educate underwriter analysts on the science and technology to secure their coverage post-IPO
- Broaden visibility and create demand among investors in advance of the IPO
- Target high-profile investor conference opportunities to raise visibility among institutional investors

### Tactics

- Comprehensive introductions to the financial community in a truncated period in advance of the IPO window
- Targeted blue-chip investors and known IPO-buyers for the financing
- Hosted an analyst teach-in for syndicate banks' analysts to educate them on the story and address any issues about the technology prior to the IPO
- Solicited speaking invitations at high-profile investor conferences to raise visibility pre-IPO

### Results

- Completed IPO in a challenging market, securing Fidelity as lead investor
- Efforts resulted in stock price strength even though the market environment generally did not favor early-stage companies
- The Company committed to maintaining an active IR program, presenting at an average of around 20 conferences per year, meeting with investors on a regular basis
- Despite many IPOs trading down afterwards, the Company's stock traded at a large premium to the IPO price for years

## Case Study D: Maintaining Visibility Post-IPO

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### IR Challenge/Opportunity

Company D was a development-stage clean tech company that had recently completed a very successful IPO in a shaky overall market. Stern IR was responsible for heavily ramping up the IR program, to help maintain the visibility the Company had achieved through the IPO process, to get more investors into the stock and to keep its existing shareholders once the lockup expired.

### Strategy

- Identify and actively introduce the Company to new investors
- Maintain visibility with investors met on the IPO roadshow who did not buy shares
- Maintain strong relationships with insiders and investors who bought on the IPO
- Develop and maintain key messages and corporate collateral that would focus the story and resonate with the targeted investment community
- Maximize upcoming news announcements

### Tactics

- Conducted quantitative targeting to identify investors that would be likely to be interested in the Company given their positions in other clean tech peers
- Performed outreach to investors to introduce them to the Company and its investment merits
- Scheduled a robust calendar of IR activities, including a mix of IR conferences and bank-sponsored and self-managed roadshows throughout the U.S. and Europe
- Instituted proactive outreach tactics including IR email lists and management call lists for all news announcements
- Heavily targeted new analyst coverage to gain visibility with additional investors
- Hosted a NYC-based investor and analyst day to dive deep into the story

### Results

- In the quarter following the IPO, 10 major institutions targeted by Stern IR became new shareholders, including AllianceBernstein, BlackRock, Deutsche Asset Management, ING and Manulife
- The Company was invited to participate in 15 investor conferences in the year following the IPO
- The Company's NYC analyst day drew 40 attendees and 85 webcast participants
- 1 non-syndicate firm initiated on the Company, with a Buy rating

## Case Study E: Investor Targeting Following New Product Launch

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### IR Challenge/Opportunity

Company E was a mid-cap biotechnology company that had launched a new product within the last twelve months. The product's launch was very successful and had captured the attention of momentum, event and other "fast money" investors. While the increased trading activity created liquidity, it also exacerbated share price volatility. Company E wanted to create a more stable shareholder base specifically looking to add investors with longer term horizons.

### Strategy

- Identify investors with longer-term orientation appropriate for investment in the Company
- Educate investors about the long term value of the Company, its product and its business model
- Reinforce the Company's messaging to both the buy-side and sell-side community

### Tactics

- Conducted broad quantitative targeting analysis to identify investors with >\$100 million in biotechnology assets most likely to purchase shares in the Company based on a number of comparative criteria
- Conducted outreach to targeted investors to introduce and familiarize them with the Company
- Customized messaging to manage the investment considerations of targets
- Pursued select investment banking conferences to help reinforce messaging to the broader investment community

### Results

- Over the course of a one year period following the initiation of targeting-based outreach, eight of the investors Stern IR targeted initiated positions in the Company
- During the same time period, eight investors Stern IR identified as underweight in the Company relative to a group of its peers subsequently increased their positions in the Company
- More than 12 million shares were placed with investors targeted by Stern IR over the one-year time period since targeting was initiated