Finding the Right Chemistry

Patent attorneys, lab directors, physicians, scientists and business consultants combine for new cutting-edge research team.

What do you get when you combine hydrogen and oxygen? Thanks to chemistry, we know you get water. How about blending professionals with legal backgrounds, medical expertise and business acumen? With the right chemistry, that mix may result in one of the leading biotechnology research teams on Wall Street. Take a closer look—at Piper Jaffray.

A diverse grouping of elements
The Piper Jaffray biotechnology research team includes 16 analysts who bring deep talent and experience from a variety of backgrounds. Some have extensive equity research experience, while others hail from nontraditional environments and contribute unique insight and knowledge to the team. The team roster includes lab directors from large health care companies, physicians, business consultants for pharmaceutical companies, scientists, patent attorneys and stock analysts.

Gurpreet Ratra, Ph.D., joined Piper Jaffray after serving as a laboratory director at Northview Pacific Laboratories in California. According to Ratra, the difference in working with investment research is that you have the opportunity to meet directly with company representatives and learn first-hand about drug developments. “Having been in a lab environment, I can appreciate how long it takes to bring a drug to market,” said Ratra. “That experience provided me with a better perspective on what companies experience in working with regulatory and financing issues from new drugs.”

Mitul Desai worked as a patent attorney for more than eight years before joining the Piper Jaffray team. His legal knowledge in the specialty pharmaceuticals sector has been instrumental in helping the research team learn about legal and political challenges generic manufacturers face. “Working in the legal field, things may take weeks and months. On Wall Street, our research is much more real time and has an immediate impact for our firm’s investing clients,” he said.

Piper Jaffray research analysts Gur Roshwalb, M.D., and Sally Bennett, M.D., were physicians earlier in their careers, but made the switch to stock analysis. Both bring unique perspectives to their work and an appreciation for the breadth of research being conducted. “As a practicing physician, I had no idea the amount of research work that was happening across the world and how that research can cause a paradigm shift,” said Roshwalb.

“As a medical doctor, I prescribed drugs on a daily basis, but I did not truly comprehend the path of clinical trial development,” said Bennett. “As an analyst it has been fascinating to fully understand and appreciate the long, expensive process of getting a drug from the point of first concept to the actual patient.”

“We” versus “me”
The Piper Jaffray biotechnology team is based on partnership and is strengthened by each person’s diverse background and experience. The result: proprietary and unique research insights for clients. It is this kind of team effort for which Piper Jaffray is known. The firm has created a reputation on Wall Street for producing top-quality integrated research.

“The biotech team at Piper Jaffray is truly a team,” said Caroline Stewart, an eight-year biotechnology research veteran. “We are respectful of each other and personify a ‘we’ mentality rather than a ‘me’ mentality.”

Ted Tenthoff, a long-time Wall Street research analyst, agrees. “We have quality people who come from quite unique and interesting backgrounds. In addition, we all have the same goal—work hard and advance our expertise to provide meaningful ideas and investment guidance to clients. We do this in a very ethical and forthright way. The team is made up of good people who are totally focused.”
Tracey West, who is a member of the European biotech team in London, notes that the synergies of the team work well across international borders. “We are like-minded and ambitious people who share a passion for the sector in which we work. We all have the same goal of building a successful franchise within Piper Jaffray and being the leaders in our sector. This is achieved because we work so well together.”

“Following the arduous journeys that drugs make from the laboratory to actually helping people continues to fascinate me.”

According to Ratra, the team is open to sharing experiences and working in a collaborative environment. The team in fact hosts a monthly call to share ideas and information with each other. They also collaborate to host conference calls for investors with leading doctors and industry consultants.

Elizabeth Naldi, a former business consultant for pharmaceutical companies, was pleasantly surprised by the diversity across the team. “The variety of backgrounds on the health care team was pleasantly surprising to me. Our diverse experiences allow us to explore new angles and brainstorm with each other on creative ideas on how to produce unique and insightful research,” she said.

Passion for Wall Street
The biotech research team thrives on in-depth analysis and complex financial modeling for the most dynamic companies in health care today. Each analyst brings a passion for the financial perspective of biotechnology and finds working in health care research the best of all worlds.

“Working in equity research gives us the ability to apply all facets of our training, from the years of scientific studies to real-world puzzles of figuring out whether drugs will work and be successful on the market,” said Thomas Wei, one of the most experienced biotechnology analysts at Piper Jaffray. “I can’t think of another job that would provide a more practical application of all the training we have received along the way.”

Earlier in her career, Hongbo Lu, Ph.D., worked in scientific roles, including developing strategies for product pipelines, managing R&D groups at a biotechnology company and consulting at a variety of health care companies. She describes working on Wall Street as the most fascinating job she has had. “Compared to my experience in scientific research and product commercialization, nothing is as rewarding or exciting as Wall Street where your opinions and actions matter in real time,” she said.

A career in equity research can be challenging as well. Research analysts are responsible for consuming and balancing a large amount of information and communicating effectively with clients, internal sales professionals and company management teams. At the end of the day, the team prides itself on searching out proprietary information that will help clients with their investing strategies.

“I enjoy being able to contact different kinds of people and ask them questions to get proprietary information for our clients,” said Rachel McMinn, Ph.D., a former postdoctoral fellow specializing in molecular and cell biology studies.

Deborah Knobelman, Ph.D., an experienced specialty pharmaceuticals research analyst, added, “Attention to detail and going the extra mile can really make a difference for clients. It truly takes perseverance and an outgoing personality.”

Inspired by medical advances
The biotechnology research team prides itself on delivering proprietary and unique financial analysis, but each member also values the advances health care companies are making to improve human health. The team cited working...
with some of the world’s brightest scientists and managers, people who are truly designing drugs to help people manage complex diseases.

“Following the arduous journeys that drugs make from the laboratory to actually helping people continues to fascinate me,” said Sam Fazeli, Ph.D., head of the Piper Jaffray health care research team in the UK and a 10-year veteran of biotechnology research. “For every product I research, I continue to learn something new about the long process involved in taking a drug from its first hypothesis to a medical treatment that helps thousands of patients and generates several hundred million dollars. I learn a great deal in the process—from how to interpret clinical trial results to understanding more about the impact health care insurance companies have on the potential success of products.”

Chad Messer, Ph.D., another former laboratory professional, finds researching biotechnology companies fascinating because of the opportunity to witness cutting-edge improvements in health care. “Working with biotechnology companies is much more interesting and fast-paced than working in a lab. The most exciting progress in medical technology—where there is potential to affect human life—is happening in biotech companies.”

“The human side of health care research is an important motivation and very satisfying.”

By guiding investments in this sector, we may be able to say that we had a tangible role in the development and approval process for some medicines,” said Wei. “In many ways, our research team has a potential greater impact on health care progress than we could have experienced by following a pathway of academic research.”

Fazeli added, “One of the most important issues around whether a drug will succeed in the market is driven by patient benefit. This is one of the most fundamental facets of our research. We analyze current standards of care and how they can be improved by the drug we are researching.”

The state of biotechnology—fast forward 20 years
As health-related issues change and drugs become more complex, investors will look for even more in-depth analysis to identify the most promising companies equipped to deliver tomorrow’s health care miracles. Covering the leading-edge biotechnology companies will only get more complicated.

Here’s a glimpse into what the Piper Jaffray biotechnology research team predicts will be the most challenging issues facing health care companies before 2027.

According to Navin Jacob, who has industry experience working with pharmaceutical companies such as Pfizer, personalization in medicine will be a dominant topic. “By 2020, the era of personalized medicine will have begun. The mapping of the human genome will allow for gene therapy as well as creation of ‘designer drugs’ that are tailored for an individual’s biological characteristics.”

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“As pharmaceutical companies face numerous drug patent expirations and increased pressure to find billion-dollar utility products, we’ll see large pharmaceutical companies shift to a biotech model,” said Naldi. They’ll focus more intently on high-value, smaller patient populations.”

Richard Parkes, Ph.D., an experienced UK biotechnology researcher, says risk management is at the forefront of change. “The greatest issue facing biotechnology companies is risk management. Drug development is a
high-risk/high-reward business model. Prudent management of clinical, regulatory and market risk is essential for a success.”

Piper Jaffray positioned as a biotech research leader
Piper Jaffray analysts have been covering health care companies for decades, and the firm is a proven leader in delivering proprietary and unique research to clients. In the past year and a half, the team has expanded to include coverage of European companies and welcomed four analysts in London.

“I joined Piper Jaffray in London because I believe the firm has a sincere focus and commitment to its health care franchise,” said Bennett. “We have a great biotech team and an excellent reputation. Despite having a global reach, Piper Jaffray has been able to maintain the entrepreneurial spirit and dynamism of a much smaller organization.”

Desai added that the firm’s great reputation drew him to join the biotechnology research team. “Piper Jaffray has a great name in research. On my first visit I noticed how down to earth the company is. This positive environment helps our talented team work together to produce world-class research.”

Stewart said that Piper Jaffray is known for its broad reach and proprietary research calls. “Piper Jaffray has one of the premier health care research teams on the street because we focus on quality. There is great emphasis on creating value that is distinguishable from the rest of the street.”

Meet the Team
The team is composed of a patent attorney, practicing medical doctors, pharmaceutical lab directors, scientists, business consultants and experienced financial research analysts.

Specialty Pharmaceuticals
Deborah Knobelman, Ph.D; Mitul Desai; Navin Jacob

U.S. Biotechnology
Thomas Wei; Gur Roshwalb, M.D.; Elizabeth Naldi

U.S. Biotechnology
Rachel McMinn, Ph.D.; Hongbo Lu, Ph.D.

U.S. Biotechnology
Ted Tenthoff; Gurpreet Ratra, Ph.D.

U.S. Biotechnology
Caroline Stewart; Chad Messer, Ph.D.

European Biotechnology
Sam Fazeli, Ph.D.; Tracy West; Richard Parkes, Ph.D.; Sally Bennett, M.D.