Innovation in biomanufacturing with singleuse technologies:

Overcoming the challenges through collaboration

Jeff Johnson

New Technology Lead

Global Science, Technology and Commercialization







HELPING THE WORLD BE WELL

We are a global healthcare company with a 125-year history of working to make a difference in global health.



BUSINESSES Pharmaceuticals, Vaccines, Biologics and Animal Health 2015 REVENUES \$39.5 billion; 56% of sales come from outside the United States



2015 R&D EXPENSE \$6.7 billion; 19 drug candidates in late-stage development



HEADQUARTERS Kenilworth, NJ, U.S.A. operating in more than 60 countries

Merck & Co., Inc. is our legal name and is listed on the New York Stock Exchange under the symbol "MRK."

MRK



EMPLOYEES approximately 68,000 worldwide (as of 5/5/16)





We are inspired by a shared vision and a mission to save and improve lives.

VISION

To make a difference in the lives of people globally through our innovative medicines, vaccines, and animal health products. We are committed to being the premier, research-intensive biopharmaceutical company and are dedicated to providing leading innovations and solutions for today and the future.

MISSION

To discover, develop and provide innovative products and services that save and improve lives around the world.





Our business focuses on innovation and scientific excellence to deliver vaccines, medicines, and animal health products that can help millions around the world.

CORE AREAS OF FOCUS

Diabetes Hospital Acute Care Oncology Vaccines

ANIMAL HEALTH Livestock Companion Animal Aquaculture Poultry

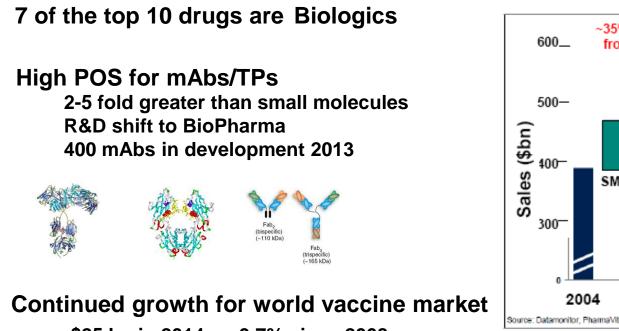




Continued Momentum of Biologics & Vaccines

Worldwide Biopharma market of > \$190 B, 15% annual growth

mAb 2013 revenue > \$50 B (BioPlan 2014)



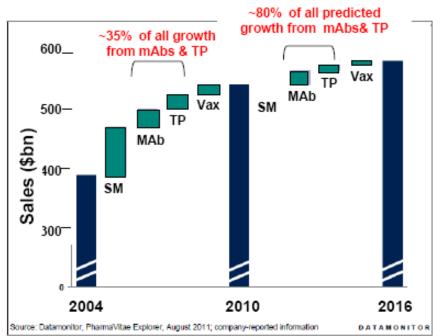
~\$25 bn in 2014 up 9.7% since 2008

Over 200 vaccines in development

Low cost availability to the worldwide is key

(Kaloram Information)

Public

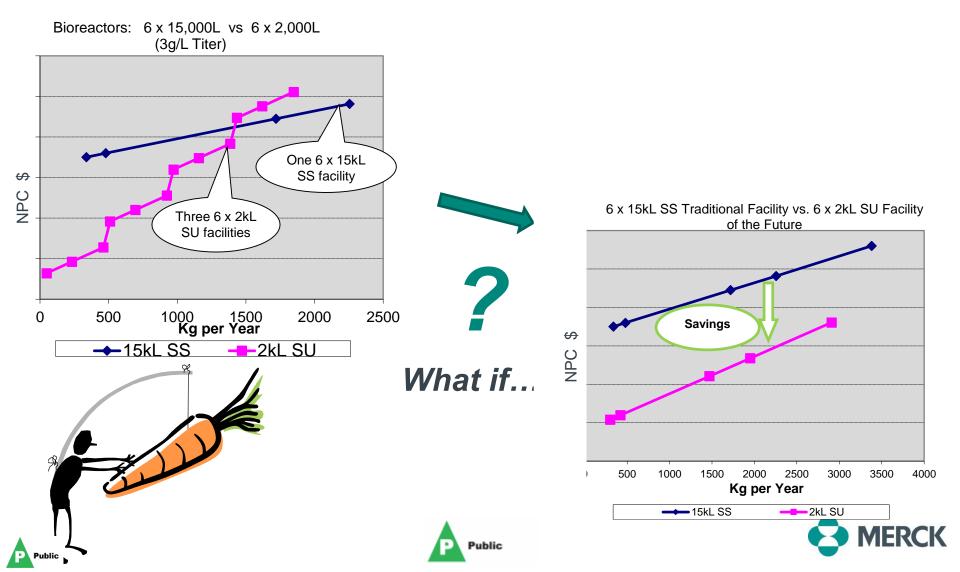


Sales



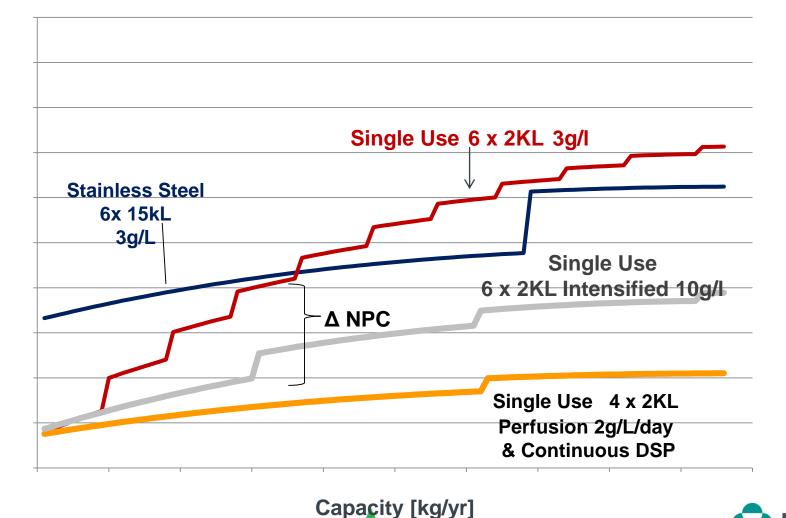
The Multi-Million Dollar Question – Literally!

Can a SU facility produce as much as a large SS facility?



Yes! SU Facilities offer Significant Savings over SS!

Significant NPC savings from SU Intensified & Perfusion Processes



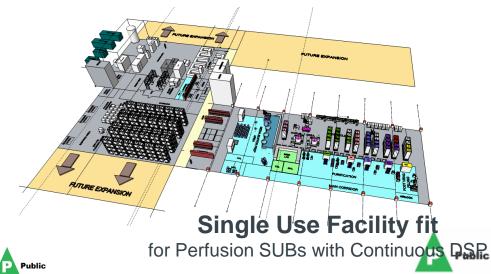
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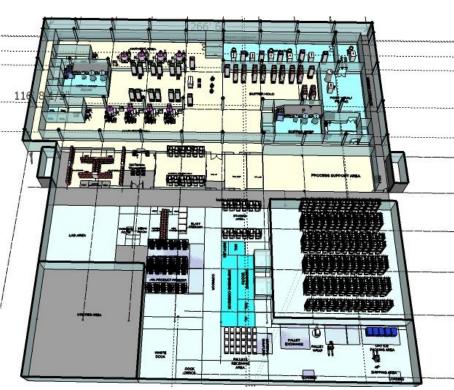
IERCK



Facility of the Future Concepts

- SU based Platform at up to 2,000 L scale
 - Intensified fed batch 3-5x titer increase
 - Perfusion with consistent harvest titer
- Modular facility design & construction
 - Scale out rather than scaleup
 - SU allows simpler designs & faster construction schedules
 - Quick to duplicate modules in multiple locations
- Consistent Process Scale allows faster Technology transfer
 - 2,000L SU Bioreactor scale used for all work clinical, commercialization, launch

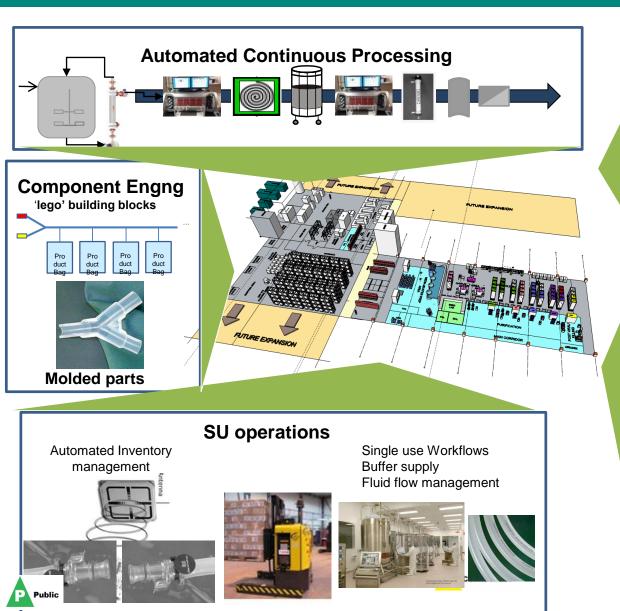


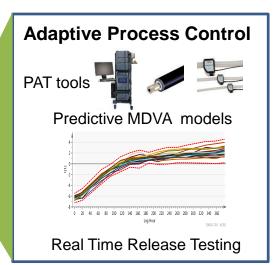


Single Use Facility fit for 6x 2,000L SUBs &Batch DSP



Facility of the Future CHO mAb Processing Vision



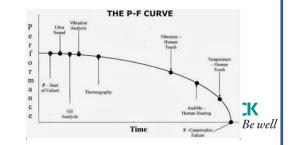


Equipment Performance Real time Monitoring

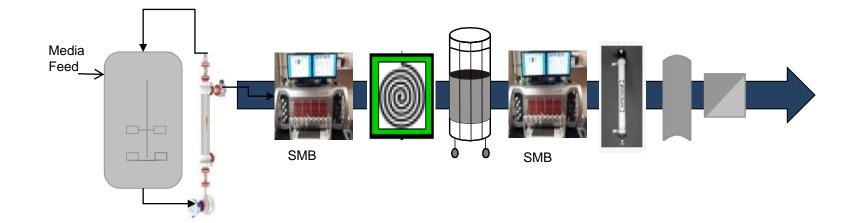
Examples:

Real time sensing of Pump seal failure, PAT sensor performance •Proactive preventative maintenance to limit failures

•Eqpt redundancy strategy •Process flow strategy for deviations



Protein Refinery Operations Lab (PRO Lab) Fully Automated mAb Drug Substance



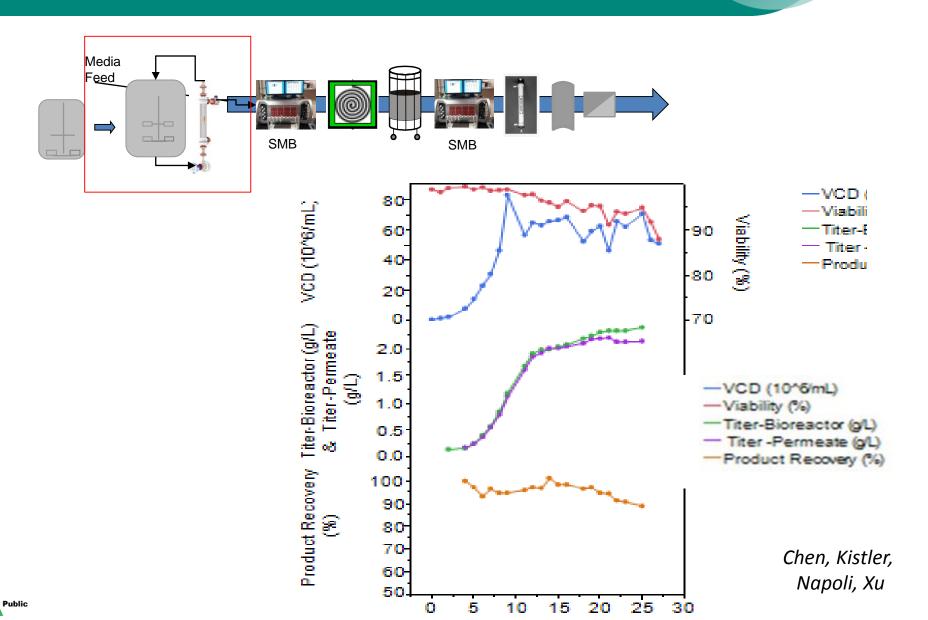


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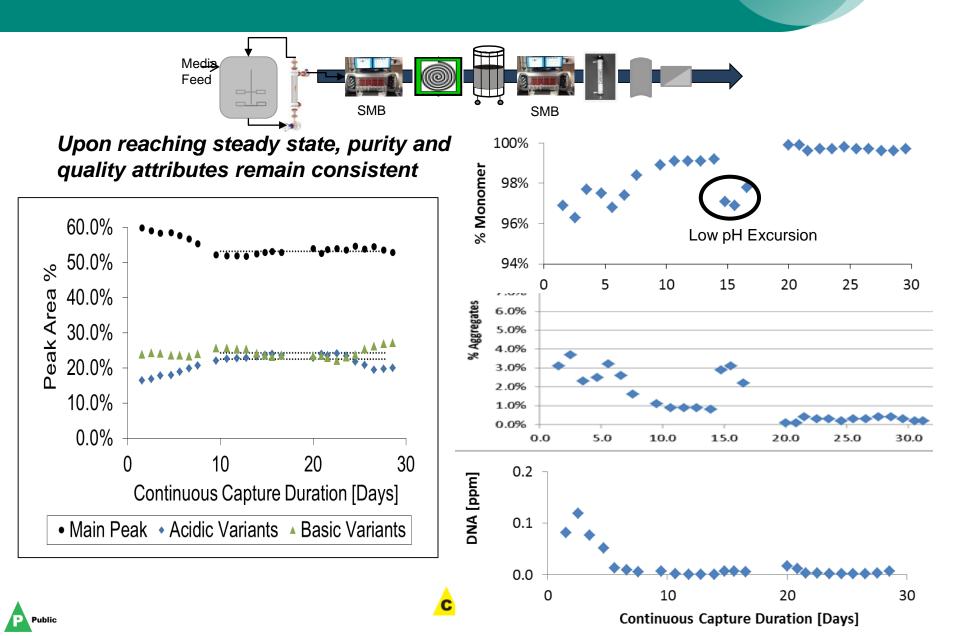
Be well

Next Generation CHO mAb Bioprocessing Perfusion Development

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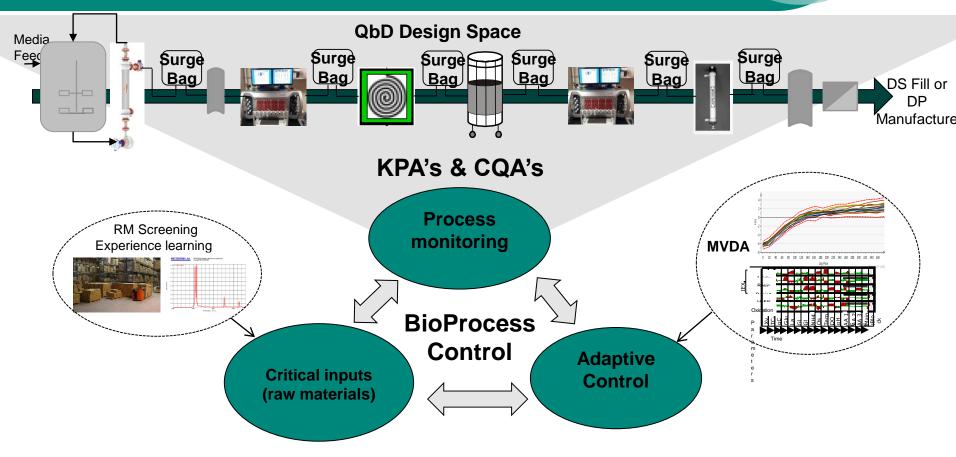


Continuous Process Performance



Continuous Processing:

PAT, Automated Control & Real Time Release



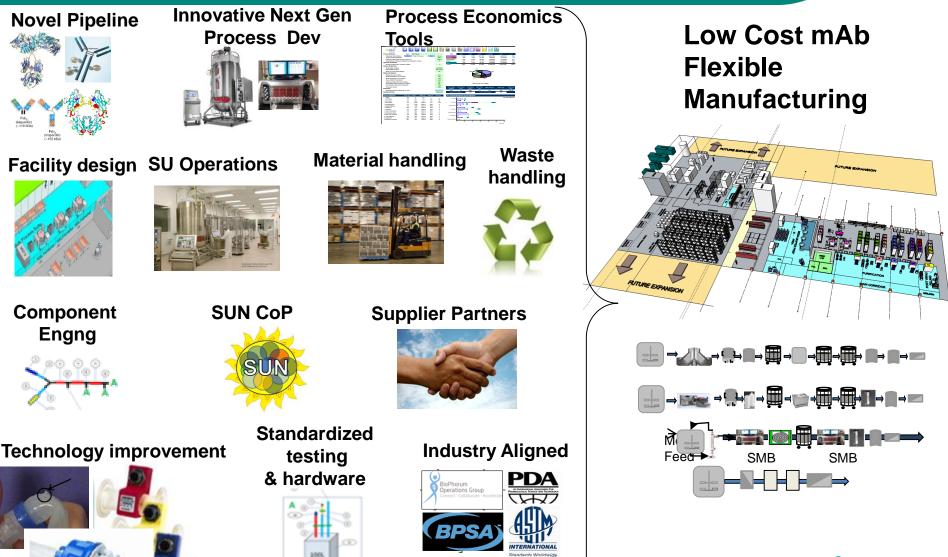
- End Product Testing transition to Real Time Release Testing
- Real time automated control: process responds to variability & disturbances
 - End to end prediction models for complete process
 - RM control ⇒ Process input ⇒ Product quality & yield







Elements for Success : Collaboration between Suppliers & End Users



MERCK Be well

Benefits & Obstacles to SU Technology Implementation

Potential benefit	Experienced obstacles
Contamination reduction with closed systems	Leaks, particles, integrity testing and non standard design qualification approaches
Sterile, pyrogen free	Irradiation validation practices vary – despite standards
Flexibility of Facility	Managing Supplier Complexity
Tech transfer is easier	Lead time of supply,
Facility schedule reduced	Design-to-deployment takes too long (12-24 months, typ.)
Processes are flexible for new products & processes	Limited connectivity for different supplier hardware
	Implementation speed : extractable / leachable testing
Lower capital cost with faster construction/ validation schedule	"One-off" tubing management and automation solutions
	Higher Expense - Unit cost & inventory holding cost
	Higher solid and packaging waste stream
Reliable and reproducible	Leaks, visible particles, delivery problems erode end user confidence, change control & supply chain concerns
Deducing Dick Increases the rate of SUS Inductry Adaption	



Public

Reducing Risk Increases the rate of SUS Industry Adoption

Public

Working together, we can lower these risks

15



Industry Landscape Networks created to improve internal alignment & control

Current Situation

- Sourced at site level
 - SUS specified by many groups
 - Inconsistent user requirements
 - Site experience vs. best practice
- Complex supply chain
 - Many 'overlapping' designs
 - Many suppliers

Trends emerging

- Strategic commodity
 - Central team with oversight/guidance
 - Component Engineering
 - SUN
 - Company requirements
 - SU Guideline Documents
- Some simplification
 - Part and supplier rationalisation
 - In-house SU Catalog
 - SU Standardization Efforts





Slide adapted from Tony White, BioPhorum

Industry Landscape Suppliers need to transform to meet end user commercial cGMP requirements

Current Situation

- Legacy of clinical expectations
 - Majority of applications now in R&D or clinical space
- Innovation focused
 - No standard 'standards'
 - Product / supply chain complexity is an operations problem
- Opaque supply chains
 - Low volumes and influence with resin and film producers

3 to 5 Year

Desired state

Systems set up to support commercial GMP needs

Service / Innovation Balance

- Customer centric 'standards'
- Supply chain complexity is managed
 - Standardized commodity items for simple, well established uses
 - Innovate on less developed areas
- Transparent supply chains
 - Well managed Change Control
- Reliable and consistent supply



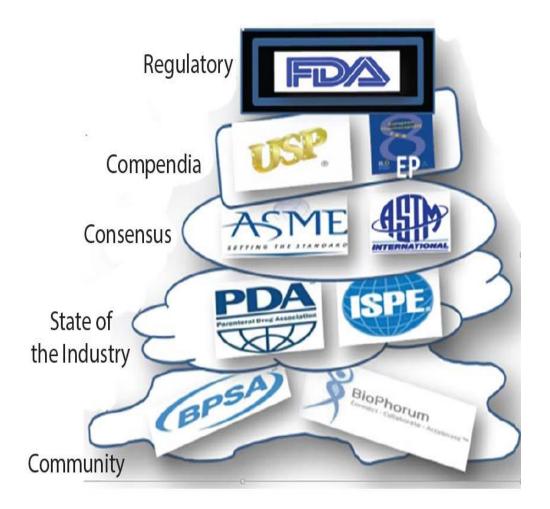
Journey

Slide adapted from Tony White, BioPhorum





The Hierarchy of the Alphabet Soup



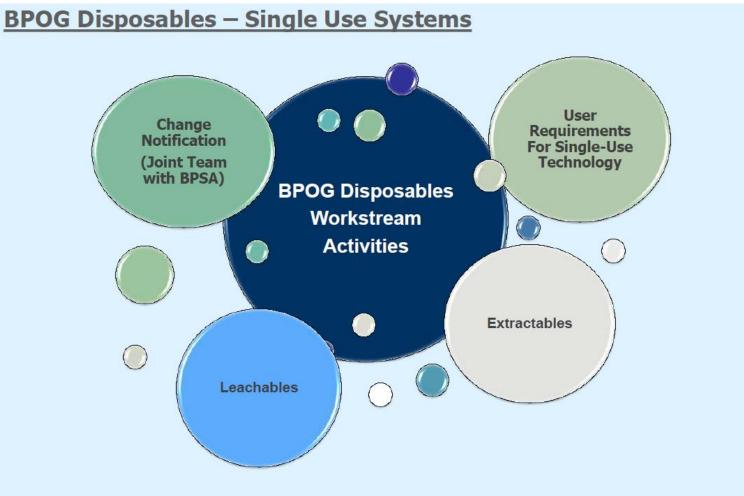
Courtesy of Jim Vogel and BioProcess Institute







BioPhorum Operations Group (BPOG) Disposables Workstream









Merck SUN committed to Conquering Change through a Collaborative Single Use Community

BPSA (Bio-Process Systems Alliance)

- Defined guidance on particulates
- Initiating two task forces: Change Control, Integrity Testing
 - Mark Petrich is Merck representative and BPSA Second Vice Chair

ASTM E55 team is:

- Working on SU Extractables Standard
- Planning to issue SU testing standards
- **ISPE**: working to publish a single use guide.

PDA published Technical Report 66 on Single Use Systems



















Develop SUS Best Practices and Physical Standards



Model:

Public







SU Standardization Efforts

SUN

Standardization efforts are starting:

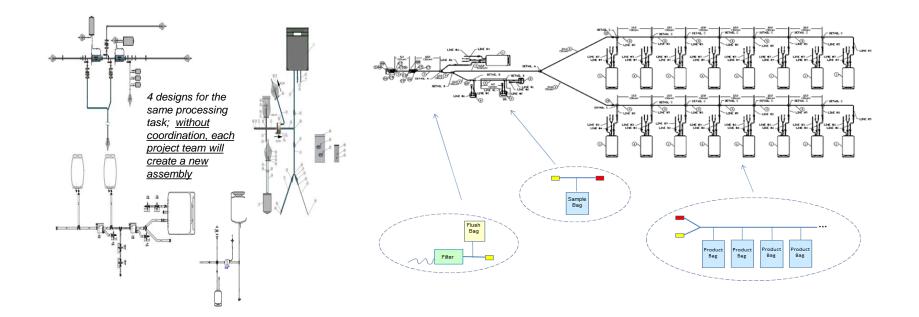
- SUN is helping to drive SU Standardization within Merck
 - Network wide VTN, Sub-teams, and Strategy
 - Single Use Equipment Guidelines
 - Single Use Catalog
- Industry-wide Standardization is starting to gain some traction
 - BPOG Standard Extractables Protocol is making progress
 - BPOG Letter to ASTM on SU Hose Barb Standardization
 - PM Group Standard Disposable Design (SDD) effort
- Lack of alignment among SU users makes for slow progress
 - BPOG is one possible forum for alignment between end-users
 - BPOG and BPSA Collaboration is starting to make progress towards SU Standardization







Why Standardize – Current State Drivers

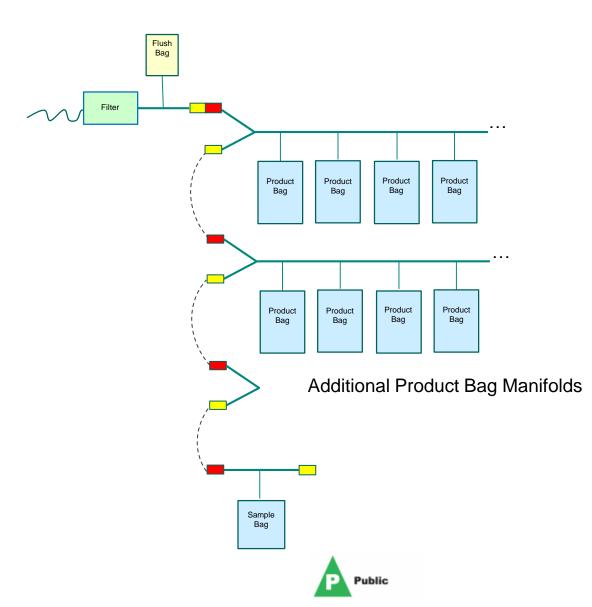








Modular Design



Public



Why Standardize – Current State Drivers



Think holistically, the entire user experience

Integration of SU Components, Tubing Management, and Automation Hardware & Software Needs Industry Wide Solutions









Summary:

Innovation in Single Use enables faster and lower cost facilities

Merck is actively developing Single Use approaches to Biologics and Vaccine production

Merck Single Use Network (SUN) is aligning best practices across the Merck Network

Component Engineering and Standard Components can strengthen the supply chain

Innovation is still needed in Single Use process design and implementation



Beneficiaries

Patients : reliable supply of lower cost medicines and vaccines

Regulators : clear standards and inspection expectations

Suppliers: expanding sales with a fair share of a much larger market

End Users: Reliable cGMP supply

Simpler, Faster, & Lower Cost







Acknowledgements





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- Mark Brower
- Doug Richardson
- SUN!

BioPhorum Operations Group Connect · Collaborate · Accelerate

Tony White Andy Orr BPOG Disposables Working Group



Bio-Process Systems Alliance

Advancing Single-Use Worldwide





Questions?





