

# Roche's Acquisition of Genentech Harvard Case Solution & Analysis



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# Genentech's History

- Created in 1976 by Robert Swanson, a venture capitalist, and Dr. Herbert Boyer, a biochemist
- Marked the birth of the Biotechnology industry



## Mission



"To discover, develop, manufacture, and commercialize biotherapeutics using genetic engineering and other advanced technologies, with a focus on critical medical conditions in the areas of oncology, immunology, and tissue growth and repair."

## Growth

- By 2008, Genentech was generating revenues of \$13.4 billion and had a net income of \$3.4 billion
- Became a leader in the Biotechnology Industry with more than 100 projects across various therapeutic focus areas



## Organizational Structure

- Before acquisition:
  - Implemented an informal and innovative company culture
- After acquisition:
  - Became a wholly-owned subsidiary



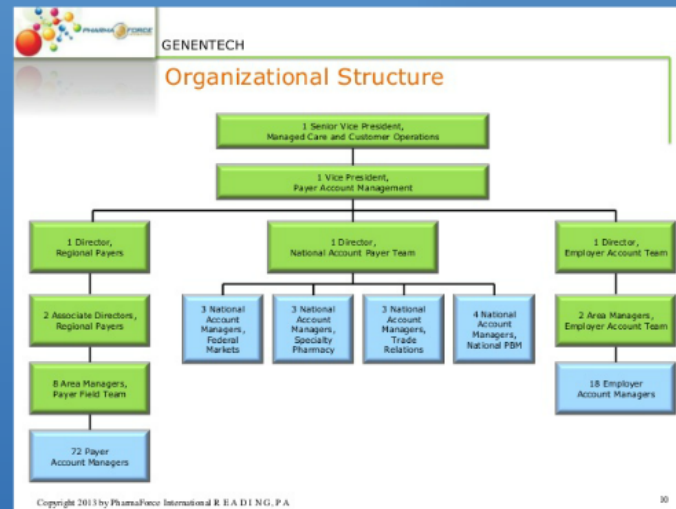
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# Internal Analysis

## Resources

- 1,100 leading research scientists around the world
- 17,500 employees after acquisition
- Reputation - Built one of the leading product portfolios in the Biotechnology industry
- Genentech scientists held 7,400 current patents and had 6,250 pending patent applications worldwide
- Founders Research Center, a 275,000 square foot facility



## Capabilities

- Medical application of Recombinant DNA
- Advanced selection criteria used for moving projects from discovery phase to development phase
- Ability to address specific needs with fewer unintended side effects

