

What the “Next Ozempic” will Look & Feel Like

Erin Kim

Biotech and Life Sciences Consultant



What the “Next Ozempic” will Look & Feel Like

HG: Ozempic felt like it came out of nowhere and has had dramatic effect (to say the least) on the markets and society, but it was obviously in development for some time prior.

Why do you think it felt like it came out of nowhere?

EK: As so often is the case with breakout hit products (and I think biotech is particularly ill-suited to intuiting what users/consumers want, because it's such an insular industry with very particular micro-cultural tendencies), the teams developing it probably weren't fully plugged into the more lizard brained aspects of why Ozempic became so desirable. I imagine they were thinking quite “inside the box” about it in terms of a drug that would simply treat obesity as a health condition, which it does, but they didn't predict that influential cultural figures in Hollywood and the tech elite who don't suffer from clinical obesity would do whatever it takes to get their hands on it for purely aesthetic reasons, and that that would lead to its virality as a product, and its wild commercial success.

HG: Did the researchers behind the drug development and distribution understand its significance and societal impact, once linked to (and for many, primarily perceived as) a weight loss “miracle drug?”

EK: I'm still not sure that many researchers fully appreciate or even genuinely care about the significance of its societal impact. I see a lot of companies taking various approaches to chasing the Ozempic wave (for example, general weight loss plays, non-semaglutide GLP-1 agonists, different modes of drug delivery, and ways to democratize access to these products), but what I'd like to see more of is efforts to tap into the next trends which aren't as obvious yet.

This is a very broad stroke, but in a highly technical, STEM-based industry like biotech, “softer” factors like culture, brand, and marketing tend to be viewed as frivolous, irrelevant afterthoughts and generally not worth discussing. They're viewed as not empirical enough, and the fact that they can't be reduced to a formula or spreadsheet is frustrating for a lot of key decision makers in the industry.

But that chasm is sure to be crossed, and when it is, there are bound to be opportunities for new market-defining products and technologies.

What the “Next Ozempic” will Look & Feel Like

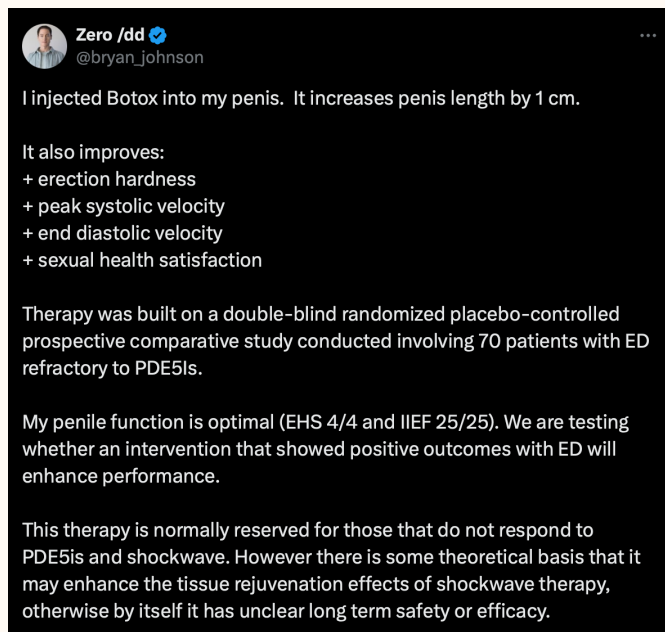
HG: What's an example of a "next Ozempic" that we should anticipate and be aware of?

Why do you think it felt like it came out of nowhere?

EK: There are so many possibilities. Obviously right now longevity is on a lot of peoples' minds. As polarizing of a figure as he is, I give a lot of credit to Bryan Johnson for being the closest thing to a visionary figurehead that biotech and biotech-adjacent scenes have seen in recent memory. There's an argument that that's something biotech could use more of. Like him or not, his being bold enough to put his own money and body on the line as he experiments in public, and having a sense of humor about it is playing a huge cultural role in all things longevity and anti-aging, whether those are dietary, fitness, and sleep protocols; fertility; various approaches to cell banking; or significant leaps being made in skincare and medical aesthetics (think: solutions for hair fall, greying, etc.).

Bryan's tweet about a Botox injection (another blockbuster biotech-enabled gift to modern society - it's produced by Clostridium botulinum bacteria) to his penis increasing its length by 1cm, among other purported benefits, unsurprisingly led to him becoming one of X's main characters of the day, countless jokes, and likely a bump to Allergan's ever-growing \$63.65B market cap, as well as a not-insignificant number of men considering their first injection.

It's interesting to look back on some of the “past Ozempics” too. We've talked about Viagra before. But some of biotech's greatest hits so far haven't been ones that have really come out waving a big flag as such.



What the “Next Ozempic” will Look & Feel Like

Probiotics are one of those, in my opinion. They sort of slowly came up out of nowhere but are suddenly ubiquitous. All of a sudden people were eating less yogurt and taking probiotics (and prebiotics, and postbiotics) in pill form, and now companies are working them into snack foods and drinks, and topical skincare. It's a huge, multi-billion dollar market, and those strains are all coming from somewhere.

HG: You've mentioned that biotechnologists because of their general disposition have trouble with commercialization. How much of a gap is there and how much does this disconnect from research to the markets hinder the advancement of helpful products and services?

EK: The gap is huge, expensive, and painful. As you know, many investors both with and without experience in biotech simply don't come near it because it's so high risk, with many more examples of failure than success.

Of all the sciences, biotech is without a doubt the most finicky and unpredictable, and that's one of the reasons why it's so hard to commercialize. Living organisms and materials are difficult to predict at various scales, and that applies both to the products and technologies that are being developed, and the people that the industry hopes to create markets out of. But beyond the tech, there's also the cultural chasm to be crossed. I think that's both a challenge that will ultimately kill a lot of companies, and an attractive opportunity to be seized by those savvy, tasteful, and brave enough to recognize opportunities and make the leap.

HG: How have advancements in AI and Machine Learning factored into accelerated developments of drugs and general advancements in biotechnology?

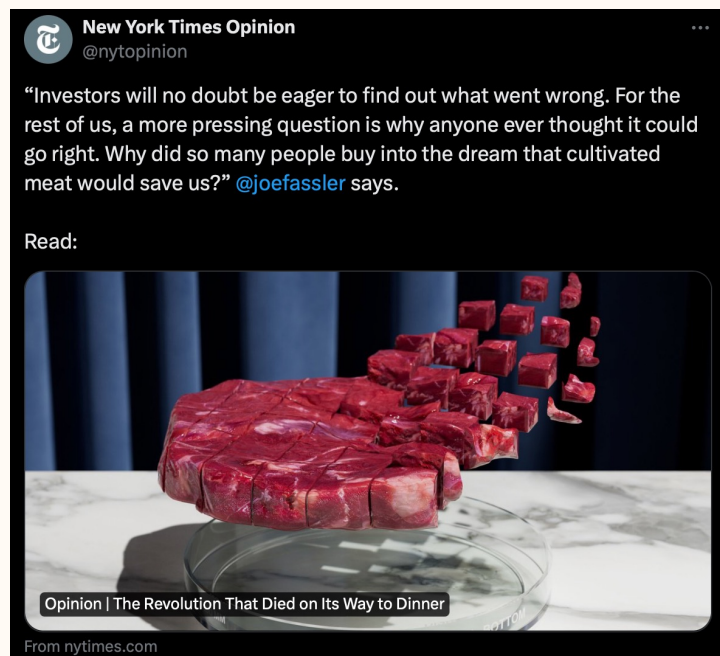
EK: They're certainly being adopted in a lot of R&D processes across the entirety of the industry, and this is another reason why I think we'll see more progress at a faster pace in biotech. Basically AI and ML are allowing for more and faster experimentation and ideally, a greater degree of predictability to those experiments before they happen.

HG: From your insider POV, how connected or disconnected is true biological innovation from what trend forecasters and the hype machine report on?

EK: I would say, disconnected enough that I wouldn't necessarily bet on a biotech index in the short term, nor would I brand myself as an evangelist or proponent for biotech on the whole.

What the “Next Ozempic” will Look & Feel Like

There are swaths of the industry (ie. cultivated meat) that were absolutely overhyped and the price is being paid for that now. For some there is a deliberate intention to bypass the hype machine. And there are certainly lesser known biotech companies in areas you wouldn't expect, that are keeping a lower profile for now but really committed to getting the fundamentals down before making a big splash (if at all). For example, companies using biology in carbon capture and climate tech.



There are also a minority of consumer products in (or adjacent to) biotech that are available now and genuinely very good, for example EQUIII high-protein bread, Mellody plant-based (bee-free) honey, and K18 hair products (who just got acquired by Unilever).

A lot of the biotech foods that came out ~10 years ago were just awful and turned me into more of a purist snob, but I do have to say the products have come a really long way since then and a lot of them are worth trying, even though the fallout from cultivated meat is kind of dragging the whole category down. As more of the consumer-facing biotech companies get more in touch with the market and tastemakers, I think we'll see meaningful improvements in the products more broadly and they'll be easier to position, market, and brand.

What the “Next Ozempic” will Look & Feel Like

During the ZIRP era, a lot of companies were pretty much thinking only in terms of the next fundraise, or the raise itself was the win. The commercial strategy was essentially “just raise more money”. But those days are gone, and the current reckoning is forcing a lot of companies to take a hard look at themselves and really ask if they have a viable road to profitability and sustained value creation. It seems so basic, but I think we may finally see a necessary shift in culture within biotech from academic to more truly commercially oriented. Any healthy company and industry should be asking themselves these questions, but biotech is a little bit later to that game. So as the meme goes*, I’m excited for the stronger companies that come out as a result of the hard times.



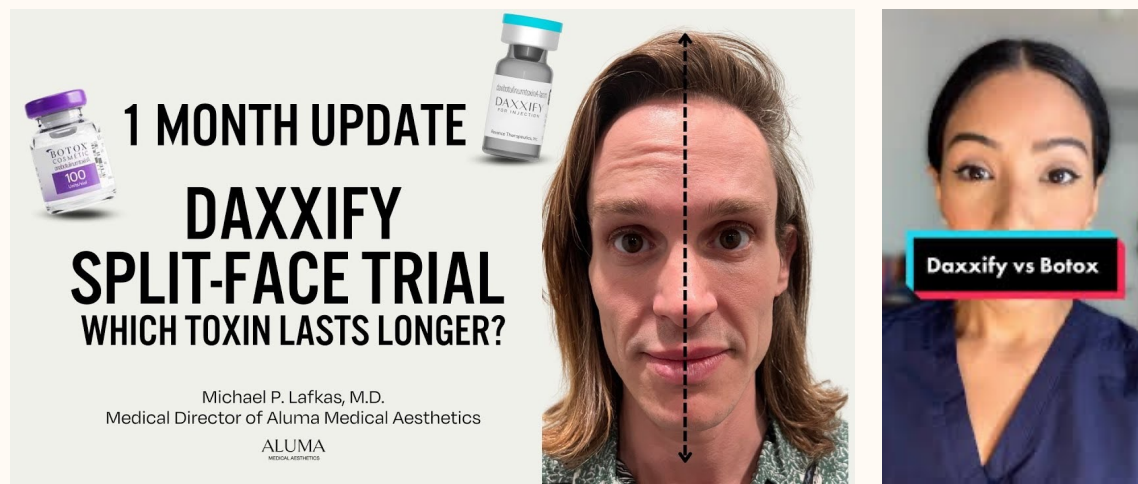
HG: What are you most excited by that can be considered to be "just around the corner?" Conversely, what are you most excited by that isn't around the corner but will be a reality in the next decade+?

EK: People are already staying active for longer than ever before and looking younger in part due to advances in biotech, and I think that will continue - it's a bit of a meme now that people in their 30's today often look younger than high schoolers did 20 years ago.

I look at the growth and advances in “Botox” (which has become the catch all term for the entire market of similar neuromodulator products), with competitors like Daxxify which last longer, and see more opportunities there and with other injectable products (ie. fillers) because they are just so popular among a growing demographic of users.

I do think there are some consumer gems in the making, though the market conditions will have to be right for that because biotech R&D costs are so high. One of a few signals I'd look out for would be more culturally savvy investors who are new to biotech joining cap tables and helping highly technical founders and teams understand that brand and marketing isn't always a big scam but rather essential pillars for brand equity.

What the “Next Ozempic” will Look & Feel Like



Previously there was a natural gravitation towards SaaS investors because I think in a lot of ways they felt comfortable, safe, and familiar. There's a shared respect for the technical, even if the fields are quite different. But mimicking SaaS business models, language, and aesthetics in my opinion has proven sort of disastrous. It's not that SaaS shouldn't play here, but I think biotech founders need to broaden their horizons to a greater range of investor personalities and blueprints for success.

In the longer term, I think there will be payoff in patchwork improvements and innovations towards longevity and physical quality of life in general. There's research around fat cells and even menstrual blood right now that I'm keeping an eye on because it has implications both for longevity and aesthetics.

I'm also seeing work both in fertility and birth control (for example, [injectable male birth control](#)). It's becoming more and more normal for women even into their later 40s having their first pregnancies and that's sure to have cultural and social effects, on top of upending the prior orthodoxy about female fertility.

That (positive or net socially good) challenge to orthodoxy is probably a common thread that I'd look for in seeking out bigger, longer term biotech gems in the making - what technologies, if they're efficacious, can be approved, and have aspirational market demographics that can afford them (at least initially) - could be so impactful that we have to revisit our existing beliefs about health, aging, fertility, and other aspects of life?