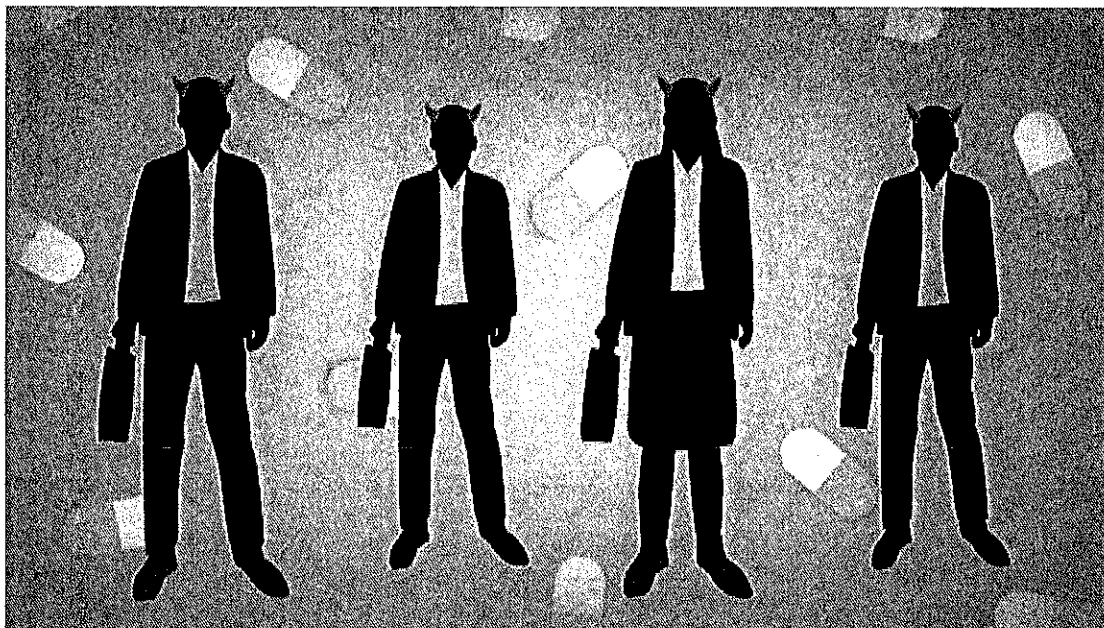


Here are the nominees for worst biopharma CEO of 2020

By [Adam Feuerstein](#)² [@adamfeuerstein](#)³

December 16, 2020



Hyacinth Empinado/STAT

I told my editor that writing the worst CEOs of biopharma column is one of my most enjoyable work assignments every year. Does that make me a mean, vindictive person? I don't think so, it's just fun.

This is a column that needs no introduction. Here are the CEOs who committed blunders or offenses in 2020 egregious enough to land on my naughty list. I have no personal animus against any of these individuals. I hope they all rebound and accomplish spectacular things in 2021.

As with my [best CEO list published Tuesday](#),⁵ I've split these nominees into Covid and non-Covid categories. Enjoy the read and don't forget to vote for your own worst CEO (non Covid) at the end of the post.

The worst "Covid" biopharma CEOs of 2020 are:

Nader Pourhassan, CytoDyn

There are few transgressions in biotech more despicable than a drug company executive who profits personally from someone else's misery. That's what Nader Pourhassan, CytoDyn's CEO, has done this year.

In the early days of the pandemic, CytoDyn issued almost daily statements claiming that an experimental HIV drug called leronlimab — decades old and never approved — was saving the lives of patients with Covid-19. There were no clinical data to demonstrate this claim was remotely true. Regardless, Pourhassan paid a stock-promotion firm to produce numerous YouTube videos, crafted to falsely resemble real newscasts. An employee of the firm played the role of a fake TV news anchor "interviewing" Pourhassan, who responded to softball questions by urging investors to buy CytoDyn stock because leronlimab was going to cure Covid.

The scheme worked. CytoDyn's stock price tripled. Pourhassan took advantage, exercising CytoDyn stock options and selling the resulting stock to make \$12 million. He also convinced his pliant board of directors to approve a bump in his salary to \$1 million per year.

What happened to leronlimab? Nothing but failure and undelivered promises. One clinical trial ended with the drug showing no benefit for Covid patients at all. That happened after Pourhassan cashed out of his CytoDyn stock, of course. CytoDyn submitted the negative leronlimab data to the FDA, anyway, seeking emergency use authorization. The agency, unsurprisingly, said no. A second leronlimab study in Covid patients has been delayed numerous times.

Then there was the CytoDyn promise that Mexico's version of the National Institutes of Health was going to study leronlimab for Covid-19 and work to secure its approval there. Weeks later, CytoDyn admitted that the Mexico plan never happened. After that, it was U.K. regulators who were allegedly gung-ho about fast-tracking leronlimab's approval, but months have passed without any verifiable actions taken.

CytoDyn's stock price has collapsed, falling 70% from the peak Covid hype.

Undeterred, Pourhassan is now trying to get investors excited about a plan to treat Covid-19 patients in the Philippines. He must have more stock to sell.

Joseph Kim, Inovio Pharmaceuticals

Inovio was early to announce plans to develop a DNA-based vaccine against the novel coronavirus, boosting its stock price tenfold before producing any clinical data. Many press releases were issued, and Joseph Kim was booked for interviews on as many financial news channels as would have him. The publicity helped boost Inovio's market value from \$300 million in January to \$4.7 billion in June. Investors were betting big that Inovio's coronavirus vaccine work would lead to a successful product.

But in June, the company announced — via a press release, of course — what it described as positive “immunological response rates” in early study participants administered its Covid vaccine. Omitted was any disclosure about neutralizing antibodies against the coronavirus — data that are key to determining whether the vaccine could protect against infection. Six months later, Inovio has still not published its Phase 1 vaccine data in a medical journal.

More problems ensued. The FDA placed a clinical hold on the vaccine program, which still remains only partially resolved. A mid-stage study was delayed by months and only started this month. The company was shut out from Operation Warp Speed, even though it suggested otherwise. Inovio sued the maker of the specialized medical device needed to inject the vaccine, but lost the case. Money needed to scale up manufacturing of the vaccine has still not been raised.

Inovio's stock price has fallen 70% since the June peak. Its market value has shrunk to \$1.8 billion and probably has further to fall.

It's possible but unlikely that Inovio might still find a successful way forward for its Covid vaccine. The company's previous efforts to develop vaccines against other novel viral contagions, including MERS, Zika and Ebola, all failed, too. Inovio has existed for four decades without developing an approved product, but that hasn't chastened Kim in the slightest. He's still making promises he can't keep.

Henry Ji, Sorrento Therapeutics

Back in March, Sorrento's stock price was down 50% for the year, valuing the company at under \$300 million. That's when Sorrento began churning out press releases — dozens of them — all touting plans to develop vaccines, antibodies, antivirals, cell therapies, and diagnostic tests targeted against the coronavirus and Covid-19 infections.

A Sorrento press release issued in May claimed one of its antibody drugs demonstrated “100% inhibition of SARS-CoV-2 virus infection of healthy cells after four days incubation.” A story published on Fox News' website called this a Covid cure. Sorrento's stock price tripled.

By August, Sorrento's market value topped \$4 billion.

Sorrento has 11 Covid products in development, according to its website. Most have trademarked names — Covi-Guard, Covi-Stix, Covi-Drops, Covi-Shield, Covi-Trace. None of the therapeutics or vaccines appears to have made any substantial progress outside of the excitable press releases.

Investors have started to catch on to the Sorrento press release game. Since hitting that August peak, Sorrento's stock price has fallen by more than 60%. Its market value is now \$1.9 billion, which is still remarkably high given the high likelihood that very little being done by the company in the Covid market will pan out.

Pascal Soriot, AstraZeneca

Pascal Soriot is not “worst” like the other CEOs on this list. Not even close. If you disregard AstraZeneca's handling of its Covid vaccine and focus on everything else, Soriot might have been a candidate for best CEO honors. AstraZeneca's cancer drug business is hot, and the deal struck to acquire Alexion Pharma looks smart.

But like a Baby Boomer dancing on Tik Tok, it's impossible to look at AstraZeneca's Covid vaccine efforts without a feeling of disbelief bordering on disgust. Despite a promising start, the vaccine program — which is partnered with the U.K.'s Oxford University — has been one misstep after another, almost all self inflicted.

We expect better from you, Pascal.

The worst “non-Covid” biopharma CEOs of 2020 are:

Nick Leschly, Bluebird Bio

Back in November, on Twitter, I labeled Bluebird Bio an “operational dumpster fire”⁷. So, yeah, Nick Leschly is on this year's worst CEO list. It brings me no joy, because Bluebird was once an exemplar of what a gene therapy biotech can achieve for patients and investors. Today, the company is a shell of its glory days, and the blame must land at the blue-sneakered feet of “Chief Bluebird.”

Once upon a time, Bluebird dazzled with clinical data that made us all believe in the curative potential of gene therapy after years of doubt. But then, the company prioritizing science over everything forgot that groundbreaking gene therapies don't matter unless they reach the patients who need them.

Zynteglo, its gene therapy for beta-thalassemia, secured approval in Europe in June 2019, but commercial marketing was delayed due to manufacturing issues. The treatment was finally launched this year, but the first

commercial patient has yet to be treated. In the U.S., Zynteglo won't be submitted to the FDA until the middle of 2021, a delay of one year, blamed on a mix of manufacturing problems and Covid.

The situation with Bluebird's gene therapy for sickle cell disease is even worse, with a U.S. filing now pushed back to "late 2022" from the second half of 2021. Again, unresolved manufacturing issues are the culprit. The Bluebird delay is allowing a CRISPR-based treatment from Vertex Pharmaceuticals and CRISPR Therapeutics to close the competitive gap, and possibly file simultaneously, or even before, Bluebird.

Similar self-inflicted screwups have stymied the regulatory and commercial path of Bluebird's CAR-T treatment for multiple myeloma, partnered with Bristol Myers Squibb.

Expecting perfect execution from Bluebird's regulatory, manufacturing, and commercial teams would be unrealistic. But this level of ineptitude is inexcusable, compounding by the company's profligate spending. Bluebird's loss from operations totaled \$626 million in 2018 and an astounding \$859 million in 2019. The company finally acknowledged the necessity of keeping expenses in check, so this year, it is expected to "only" lose around \$600 million.

For all that money, patients aren't benefiting from treatments that should be available by now, and shareholders aren't seeing any return on their investment. Bluebird's stock price has fallen 50% this year and 75% over the past three years.

John Thero, Amarin

In 2020, Amarin's plan to turn a fish oil-derived heart drug called Vascepa into a commercial blockbuster blew up in a flurry of adverse legal rulings. John Thero didn't argue the losing court cases that paved the way for the launch of generic versions of Vascepa, but he hired the attorneys who did.

That's enough to place Thero on this list.

Vascepa was once expected to become a multibillion-dollar product in the U.S. Sales rose 87% to \$430 million in 2019, driven by the positive cardiovascular benefit demonstrated in a large outcomes study and the subsequent expansion of the FDA-approved label.

But with a generic version of Vascepa already on the market, and more on the way, Amarin's U.S. sales have stalled. Vascepa still enjoys patent protection in Europe, but the ability to deliver significant sales there remains an open question. Amarin shares are down 76% this year.

Mark Pruzanski, Intercept Pharmaceuticals

Last week, Mark Pruzanski announced his resignation as CEO of Intercept. While he's retaining his seat on Intercept's board, Pruzanski's unexpected exit adds to the mystery and misery heaped upon the company's shareholders this year.

The troubles began in June when the FDA rejected Intercept's drug aimed at treating patients with the chronic fatty liver disease called NASH. While the commercial potential of the Intercept drug called obeticholic acid, or OCA, had been debated, its approval was widely expected. Pruzanski claimed to be completely surprised by the FDA's negative decision, and the company vowed to meet with regulators to figure out a plan for resubmission. But weeks turned to months without any FDA updates, except for the disclosure of an agency-

led investigation into possible liver toxicity tied to OCA. Intercept buried that disclosure deep within its quarterly SEC filing.

So, with the year ending, Pruzanski is gone and Intercept still hasn't said anything about how, when, or if OCA will ever win approval in NASH. Investors hate uncertainty as much as they hate negative surprises. Intercept's stock price is down 75% this year.

And now, here's your chance to vote:

About the Author



Adam Feuerstein²

Senior Writer, Biotech

Adam is STAT's national biotech columnist, reporting on the intersection of biotech and Wall Street.

adam.feuerstein@statnews.com⁸

[@adamfeuerstein](#)³

Links

1. <https://www.statnews.com/stat-plus/latest/>
2. <https://www.statnews.com/staff/adam-feuerstein/>
3. <https://twitter.com/adamfeuerstein>
4. <https://www.parsintl.com/publication/stat/>
5. <https://www.statnews.com/2020/12/15/here-are-the-nominees-for-best-biopharma-ceo-of-2020/>
6. <https://www.statnews.com/2020/12/12/astrazeneca-to-acquire-alexion-for-39-billion-adding-blockbuster-immune-medicines/>
7. <https://twitter.com/adamfeuerstein/status/1324110402771423236>
8. <https://www.statnews.com/2020/12/16/here-are-the-nominees-for-worst-biopharma-ceo-of-2020/mailto:adam.feuerstein@statnews.com>
9. <https://www.statnews.com/topic/biotechnology/>
10. <https://www.statnews.com/topic/pharmaceuticals/>
11. <https://www.statnews.com/topic/stat-plus/>