

Gilead Sciences - Where Should the Next Pipeline Inflow Come From?

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Case convention: The committee assignment below is hypothetical. Gilead has not disclosed a fixed resource pool or a formal choice between HIV and oncology.

A changing portfolio

Gilead Sciences develops medicines in areas including HIV, viral hepatitis, COVID-19 and cancer. At the end of 2023, HIV products accounted for approximately 67% of Gilead's product sales. Biktarvy, a once-daily HIV treatment, generated \$11.85 billion in 2023 sales, up 14% from the prior year. The company identified the need to introduce new HIV medicines and competition, including generics, among the risks to sustaining that business. [P1]

Oncology sales were also growing. Gilead reported \$2.93 billion in 2023 oncology product sales, up 37%. Cell therapy sales reached \$1.87 billion, up 28%, while Trodelvy sales reached \$1.06 billion, up 56%. The company attributed those increases to demand, including demand in new and existing geographies. [P1, P2]

These totals show different portfolio positions, but not the expected value of the next clinical program. They also do not establish that the company has to choose one therapeutic area over another.

Two active development agendas

Gilead's February 2024 presentation described a broad HIV pipeline. The Phase 3 PURPOSE-1 and PURPOSE-2 studies of lenacapavir for HIV pre-exposure prophylaxis (PrEP) were fully enrolled. The presentation listed a PURPOSE-1 update in the second half of 2024 and a potential launch in late 2025. It also stated that lenacapavir for PrEP was investigational and its safety and efficacy for that use had not been established. [P3]

Gilead's schedule of key remaining 2024 milestones included studies involving Trodelvy, cell therapies and other oncology candidates. [P3] One important uncertainty was already visible: in its FY2023 filing, Gilead said the Phase 3 EVOKE-01 study of Trodelvy in previously treated non-small cell lung cancer did not meet its primary overall-survival endpoint. The filing noted a numerical improvement in overall survival favoring Trodelvy and said the company expected to assess the related in-process research and development asset during the first quarter of 2024. [P1, P3]

The milestones and potential-launch timing are management estimates, not approvals or guaranteed dates. At the information cutoff, the listed upcoming trial updates had not occurred. [P3]

A sourcing question

Gilead can build programs through internal research and development, or bring in opportunities through licensing, acquisition or collaboration. The public materials show a large marketed HIV base, fast-growing oncology sales and multiple clinical programs in both areas. They do not disclose project-level development costs, program-specific probabilities of success, internal clinical capacity, or commercial forecasts for the candidates discussed here.

A hypothetical portfolio committee is asked to set its **incremental sourcing emphasis and decision gates for the next two years**. It may consider where to seek additional opportunities in HIV or oncology and whether internal development, licensing, acquisition or partnership best fits those opportunities. Existing trials and signed agreements are outside this assignment; no existing program is assumed to be freely reversible. No dollar budget or fixed staff pool is provided.

Signal at the cutoff	What is known	What remains uncertain
HIV scale	HIV generated about 67% of 2023 product sales; Biktarvy sales were \$11.85bn. [P1]	Whether future programs can sustain demand, defend share, or expand the franchise.
HIV pipeline	PURPOSE-1/-2 were fully enrolled; the company estimated a 2H24 update and potential late-2025 launch for lenacapavir PrEP. [P3]	Trial results, regulatory outcome, adoption, access, and commercial performance.
Oncology growth	2023 oncology sales rose 37% to \$2.93bn. [P1, P2]	Whether growth and pipeline milestones translate into durable product value.
Oncology uncertainty	EVOKE-01 did not meet its primary overall-survival endpoint; further development and the Q1 asset assessment remained unresolved. [P1]	Subsequent clinical, regulatory, and accounting decisions.
Sourcing	Gilead has internal programs and has used external collaboration and acquisition routes. [P1, P3]	Relative costs, timelines, control, capabilities, and returns for specific future opportunities.

The assignment

Recommend a process and sourcing emphasis for the next two years. Explain how you would compare HIV and oncology opportunities and internal development with licensing, acquisition or collaboration. Identify the evidence you would require before advancing or stopping a specific opportunity. State any committee authority, project constraints, or decision rules you assume; these are classroom assumptions, not disclosed company policy.

Sources and conventions

The information cutoff is March 1, 2024; information public through February 29, 2024 is included. Sales and clinical status are reported as of the cited sources. Company explanations and forecasts are attributed. No later trial results, approvals, transaction closings, project returns, or recommendations are asserted.

[P1]: [Gilead FY2023 Form 10-K](#), filed February 23, 2024; Item 1, printed pp. 3-4; Item 1A, SEC HTML lines 548-550; Item 7 revenue table, lines 1070-1103; EVOKE-01, lines 1202-1207. [P2]: [Gilead Fourth Quarter and Full Year 2023 Financial Results](#), February 6, 2024. [P3]: [Gilead Q4 & FY23 Earnings Presentation](#), February 6, 2024; HIV slide/PDF p. 21; oncology pipeline slide/PDF p. 22; “Key Remaining 2024 Milestones” slide/PDF p. 23. Timing estimates are company forecasts and subject to change.