

Vertex Pharmaceuticals: Organizing for Several Commercial Models

Internal ID: S&F-STR-573

Topic: Operations Strategy, Corporate Strategy, Platform Strategy

Industry: Biotechnology

Source: Strategy & Finance

Publication date: 5 October 2026

License: Not specified

Decision date and information cutoff: March 1, 2024

Case convention: The portfolio review and assignment are hypothetical. They do not describe a disclosed Vertex management decision.

A growing portfolio, different paths to patients

By early 2024, Vertex was preparing to commercialize products that would reach patients through different channels. Its established cystic fibrosis (CF) medicines moved primarily through a limited number of specialty pharmacies and distributors, supported by a small U.S. field-based commercial team focused on a relatively small prescriber group, many at accredited CF centers. At the same time, the company had begun launching CASGEVY, a gene-editing therapy requiring a network of specialized treatment centers and coordination across patient-specific manufacturing and delivery. [P1]

Two more potential products were approaching regulatory milestones. VX-548, an investigational acute-pain medicine, had reported positive Phase 3 results; Vertex planned to submit a New Drug Application (NDA) by mid-2024. The company identified hospitals and ambulatory surgery centers (ASCs) as important potential channels and said it was hiring a field team to support possible commercialization. The vanzacaftor/tezacaftor/deutivacaftor CF triple was also investigational, with regulatory filings planned for mid-2024. Vertex said it expected to support its potential launch with existing commercial infrastructure. These were plans, not approvals or launch results. [P1, P2]

The existing CF business

Vertex reported 2023 product revenue of \$9.869 billion, up 11%. TRIKAFTA/KAFTRIO generated \$8.945 billion, while three older CF products contributed \$924.5 million. Management attributed growth primarily to continued TRIKAFTA/KAFTRIO uptake, especially outside the United States and among younger patients. Essentially all reported product revenue came from CF medicines. The figures show the scale of the established franchise; they do not disclose the cost or spare capacity of its commercial infrastructure. [P1]

The CF model is relatively concentrated: specialty pharmacies and distributors handle most sales, and a small field team serves a limited set of prescribers. That provides one possible platform for supporting the next CF triple. It does not establish that this team can also cover new specialist channels without additional capabilities or that resources are constrained. [P1]

CASGEVY: a center-based treatment journey

The U.S. Food and Drug Administration (FDA) approved CASGEVY for sickle cell disease (SCD) on December 8, 2023, and for transfusion-dependent beta thalassemia (TDT) on January 16, 2024. The European Union had also approved it for both indications by the cutoff. [P1, P3]

Unlike a medicine distributed through a pharmacy, CASGEVY involves collecting a patient's cells, shipping them to a manufacturing site for purification and editing, and returning them frozen to an authorized treatment center for infusion. Vertex described coordination among the company, centers, third-party manufacturers and shipping vendors as necessary to complete the process. The company characterized these cell and gene therapy processes as more complex than small-molecule manufacturing. [P1]

Vertex planned an authorized treatment-center network of approximately 75 centers across the United States, Europe and the Middle East. As of its February 15 filing, it reported 12 activated U.S. centers, three in Europe and one in Saudi Arabia. Those counts distinguish a planned network from centers activated at that date; they do not show throughput, patient starts or center capacity. [P1, P2]

A hospital-oriented possibility

Vertex estimated that about 80 million U.S. patients receive prescriptions for moderate-to-severe acute pain each year. It said more than two-thirds of such prescriptions are issued in or after hospital or ASC visits, and identified approximately 2,000 hospitals and 200 integrated delivery networks as potential channels. The company was hiring a field team in 2024. These are issuer estimates and plans; VX-548 remained investigational and had no marketing approval at the cutoff. [P1, P2]

For vanzacaftor, Vertex's stated approach differed: it expected to support a potential launch with existing commercial infrastructure. The planned mid-2024 filing was also a forecast. Neither the filing nor the release disclosed the staffing overlap, incremental launch cost or resources required for that product. [P1, P2]

What is known-and what is not

Vertex's FY2024 guidance called for \$10.55-\$10.75 billion in product revenue. The company expected continued CF growth and CASGEVY launch activity in approved indications and geographies. Combined non-GAAP research and development, acquired in-process research and development, and selling, general and administrative expense guidance was \$4.3-\$4.4 billion. Management said SG&A would increase as it prepared for possible VX-548 commercialization and launched CASGEVY. The guidance combines activities and does not allocate revenue or expense by product. It is not a commercial budget or evidence of a fixed resource pool. [P1, P2]

Public disclosures leave practical questions unanswered. They do not quantify the overlap among CF, gene-therapy and hospital commercial capabilities; show CASGEVY referral-to-treatment timelines or center throughput; report actual reimbursement for provider services; or establish VX-548 prescribing behavior. Nor do they disclose an internal staffing ceiling or a trade-off that makes one launch displace another.

Assignment

Assume you are advising a **hypothetical portfolio commercialization review** at the March 1, 2024 cutoff. Recommend how Vertex should organize and sequence shared versus product-specific commercial capabilities across the established CF franchise, CASGEVY, potential VX-548 commercialization, and the vanzacaftor triple.

You may propose greater reuse of existing infrastructure, dedicated capabilities for distinct channels, or a staged combination. Specify the evidence gates that would support expansion, a pause or a change in sequence. State any assumptions explicitly, distinguish approved products from investigational candidates and explain what evidence could change your position. Do not assume a fixed budget, a resource constraint or that forecast launches occur.

Sources and information boundary

The cutoff is March 1, 2024; public information through February 29 is included. Company estimates, explanations and forecasts are attributed. No later approval, launch, reimbursement or adoption outcomes are included.

- **[P1]** Vertex FY2023 Form 10-K, filed February 15, 2024. Item 1, printed pp. 5, 9-12; Item 1A, p. 17; Item 7, pp. 67, 72-75.
- **[P2]** Vertex fourth-quarter and full-year 2023 results, February 5, 2024, ¶¶128-148, 162-189.
- **[P3]** FDA, CASGEVY approval for SCD, December 8, 2023; and FDA January 16, 2024 roundup, TDT approval.