

Senseonics signs exclusive distribution deal with Roche to launch Eversense 90-day implantable CGM in Germany, Italy, and the Netherlands - May 25, 2016

Senseonics [announced](#) today that it has signed an exclusive distribution agreement with Roche to launch the Eversense implantable CGM, body-worn transmitter, and mobile app in Germany, Italy, and the Netherlands. No launch timing was given, but on the heels of the CE Mark ([earlier this month](#)), and planned Eversense launches in Sweden (June) and Norway/Denmark (2H16), commercialization with Roche seems possible in the next few quarters - at minimum, we assume the companies will take time to learn from the initial marketing and positioning in Scandinavia. In a clear victory for Senseonics, Roche is responsible for sales, marketing, support, and distribution, off-loading a number of activities that Senseonics cannot do on its own. Senseonics retains ownership of product development, regulatory, quality, and manufacturing. The deal stands as an early vote of confidence in Senseonics, who will benefit greatly from an established diabetes player to drive Eversense adoption in a highly competitive and reimbursement-constrained EU glucose monitoring market. We wonder how this agreement impacts Roche's own CGM, which is expected to launch in Europe this year, per [the 1Q16](#) call. On one hand, this deal suggests Roche is all-in on CGM and desires a portfolio of different sensor designs - e.g., its Accu-Chek Insight CGM could talk to an Accu-Chek pump, while Eversense would work for standalone users on MDI. On the other hand, this could speak to continued challenges in developing its own CGM, or perhaps a change in priorities, risk, or timing. The agreement may be expanded with additional products and territories in the future, leaving a lot of possibilities open for both companies. The news is consistent with Senseonics' [1Q16 expectation](#) to complete an agreement with an additional EU distributor "very soon." Its current partner in Scandinavia is Rubin Medical, a deal that was signed [one year ago](#). We'll see Senseonics 180-day data at ADA ([892-P](#)), and for more details, see our coverage of the [1Q16 update](#).