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'Market opportunity for Trastuzumab is \$7 billion'

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US president-elect Donald Trump's speech on Wednesday, in which he criticized domestic pharma firms for outsourcing their work, hit Indian pharmaceutical stocks on Thursday. However, Biocon CMD Kiran Mazumdar-Shaw ruled out any negative impact on Indian generic suppliers. In an interview, Mazumdar-Shaw said while she agreed with Trump's views, she did not see it affecting the Indian pharmaceutical industry. She said if Indian companies are supplying products to the US markets and if there are no US suppliers, which is mostly the case, this would not affect the Indian pharma companies.

Edited excerpts:

Your thoughts on what Donald Trump's has to say—pharma companies are getting away with murder—does that worry you?

The pharmaceutical companies in the US have been irresponsibly raising their prices and this is a great concern to everyone.

However, one thing that Indian pharma companies can certainly not be accused of is raising prices in a big way. Indian generics have done a lot to contain and bring down drug prices in the US and the whole approach of the Indian pharma sector is to address rising drug prices in the US market. So we are hopefully in favour with Donald Trump's views.

The other two statements that he made—one



Biocon CMD Kiran Mazumdar-Shaw

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with respect to the bidding for these veteran army contracts and second with respect to negotiations as far as Medicare is concerned. How would you react to those two statements?

It is long overdue that the government is allowed to negotiate drug prices for Medicare because it just doesn't make sense that when you are looking for bulk procurement—that you are not legislatively allowed to even negotiate for prices. It doesn't make sense. Therefore, I completely agree with Trump's view. This is long overdue.

So that might be a sentimental negative or even a practical negative for the generic suppliers in India?

What you are talking about is the veteran sector but I do

not think that these are going to be big issues because if Indian pharma companies are basically supplying these products for the US markets and there are no US suppliers which in many cases is true, I

think this doesn't affect Indian pharma companies.

Talking about the drug—your partnership with Mylan and the US FDA accepting the application. How big is the potential for this drug?

This is a huge potential because this is a breast cancer drug and it's an expensive treatment which we are trying to address with biosimilars and we have got first to file status, not that it gives us the kind of advantage the generics have but the fact is we could be the first biosimilar Trastuzumab launched in the US market.

INTERVIEW

The market opportunity for Trastuzumab is pretty attractive; it is around \$7 billion globally and this will make a big difference to cancer patients in the US.

Biocon and Mylan would love to make that big difference to patients who actually need this particular drug, we have been making a huge difference to patients in developing economies like India and other countries and we have significantly brought down

Pharma companies in the US have been irresponsibly raising prices

the prices of this particular drug.

This is a licence application. How long does it normally take for the drug approval in marketing?

It could be anywhere between 18 months. However, we hope that it is going to be less than 18 months and the fact that they have accepted our file is big news because it means that the file is complete, the file is acceptable and they have begun the review process. So it is all very positive news for us.

With this your biosimilar portfolio has kick-started on a positive note, especially in the US markets. What kind of growth can you expect from this portfolio over the next one-two years?

This has been our clear cut strategy for the last several years. We have identified biosimilar as a very large growth trajectory for the company and we have also indicated that we expect these kinds of revenues to start kicking in from FY18.

How is the trajectory? Is it exactly like it is in the non-biosimilars that after a couple of trials you can commercially sell it off to others or rope in other manufacturers, do you get money even ahead of 18 months?

We have been licensing this particular drug in many emerging markets. As far as we are concerned, Mylan is our commercial partner. Mylan will be front ending this particular marketing and distribution efforts for Trastuzumab and Mylan is a successful marketer of generics and now biosimilars. So we are confident that we will get a decent share of the available market.