

Biocon, Mylan collaborate for generic insulin analogues worth \$11.5 billion

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Biocon, Asia's premier biotechnology company has entered into a definitive agreement with Mylan for an exclusive strategic collaboration for the global development and commercialization of generic versions of its three insulin analog products.

Under the terms of this collaboration, Mylan will have the rights to develop and market Biocon's Glargine (the generic version of Sanofi's Lantus), Lispro (the generic version of Eli Lilly's Humalog) and Aspart (the generic version of Novo Nordisk's NovoLog).

Mylan CEO Heather Bresch commented, "This collaboration builds off of our existing successful partnership for generic biologics with Biocon and brings Mylan a portfolio of high-value insulin analog products. This collaboration further expands and diversifies our pipeline of complex, difficult-to-manufacture products with strong future growth potential. Importantly, we believe we have the opportunity to be one of the first generic entrants in developed markets into the rapidly growing diabetes area, helping to address unmet needs and reduce the economic burden to those battling the disease and to the global healthcare system."

In 2009, Biocon had entered into an agreement with Mylan for an exclusive collaboration on the development, manufacturing, supply and commercialization of multiple, high value generic biologic compounds.

Biocon's Chairman & Managing Director, Kiran Mazumdar-Shaw said "Mylan is a natural preferred partner for our portfolio of generic Insulin analogs and this collaboration further strengthens our existing successful partnership. We are excited to team up with Mylan to be able to cost effectively address the disease and economic burden that diabetes poses to global health."

Mylan and Biocon will share development, capital and certain other costs to bring the products to market. Mylan will have exclusive commercialization rights in the U.S., Canada, Australia, New Zealand, the European Union and the European Free Trade Association countries through a profit share arrangement with Biocon. Mylan will have co-exclusive commercialization rights with Biocon in certain other markets around the world.

Mylan President Rajiv Malik added, "Biocon has served as a trusted development partner for the past three years and we are very excited about this expanded relationship. Our thorough review of the development work completed by Biocon to date on these products gives us great confidence in the company's capabilities in this area and in the quality and value of this program. Our confidence in the potential of this program is supported by our proven ability to drive value from our partnership with Biocon and we believe Mylan is uniquely positioned to work with Biocon to bring these products to market."

It may be recalled that Biocon has entered into an agreement with Pfizer, the world's biggest pharma company, in October 2010 for a similar kind of agreement.

Under the agreement, Pfizer need to pay \$200 million (about Rs 900 crore) to have exclusive rights to commercialize several of Biocon's insulin products globally. However, in March 2012, both the firms announced the conclusion of their alliance to commercialize Biocon's biosimilar versions of Insulin and Insulin analog products. The companies have agreed that due to the individual priorities for their respective biosimilars businesses, it is in their best interest to move forward independently.