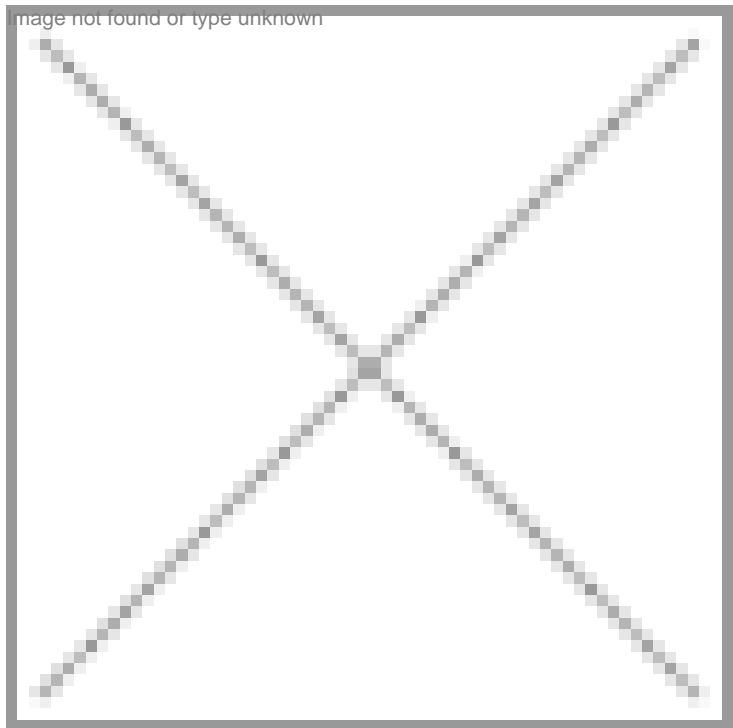


"One out of every four molecules developed will be in the biological therapeutics area"

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Bhasker V Iyer, Managing Director, AstraZeneca Pharma India Ltd

Bhasker Iyer was appointed as a director and managing director of AstraZeneca Pharma India Ltd in May 2004. Since then, Iyer has been aggressively pushing the expansion and growth plans of the company. Iyer has over 20 years of experience in the pharmaceutical industry and has held senior commercial management positions with Nicholas Piramal, Glaxo India, Regent Pharmaceuticals West Africa and ICI Pharmaceuticals India.

Iyer, before joining AstraZeneca, was with Nicholas Piramal India as the president of sales and marketing for the Cardex division. One of the world's leading pharma companies, AstraZeneca is stepping up its focus on India in all spheres of activity- pharma sales, manufacturing, R&D, clinical trials, global process center, among other things. Bhasker Iyer shares with BioSpectrum, AstraZeneca's plans, strategies, and objectives in this direction.

What are the plans of AstraZeneca in India?

After India entered the full product patent regime, AstraZeneca has renewed its interest and focus on India. AstraZeneca's global strategy is to be the best in all areas of business within a culture based on innovation, a responsible way of doing business and performance. This strategy is centered on discovering, developing, manufacturing and marketing differentiated medicines. In line with the global strategy, AstraZeneca in India is committed to delivering sustained financial performance

through growth and productivity. AstraZeneca in India has its R&D, manufacturing and marketing offices in Bangalore, thus bringing the entire package of experience and investment.

Today, since there is full product patents regime, we are strongly urged and supported by AstraZeneca corporate headquarters to grow it. AstraZeneca Pharma India Ltd (AZPIL), the marketing company with interests in six key areas of healthcare in India, is witnessing a robust growth rate. AstraZeneca Pharma India is still a nascent company considering that AstraZeneca was formed in 2001 out of the Astra-IDL joint venture. Yet it is the fastest growing MNC in India.

In the last fiscal, we registered about 17 percent growth and we aspire to grow close to 20 percent. We aim to do this in a variety of ways. We are going to make a lot of investment in brands. Our focus would be on how to build bigger brands, evaluate the brands of AstraZeneca global that could be launched in India and we are working aggressively on getting the clearances and patents registered. The organization strongly supports inorganic growth-in-licensing and acquisitions.

We are also concentrating on increasing the global clinical trials done in India. We are having a serious reassessment of the same and are relooking at the new structure.

We are also focusing on process development and building a global process center. We want to leverage the capabilities in India. Further, we are exploring if India can be a major center for outsourcing APIs, data management, etc

Could you share with us your plans for in-licensing and brand acquisition?

In February this year, AstraZeneca AB announced the acquisition of Vancocin CP (Vancomycin) trade mark for India and Nepal from Eli Lilly. Vancocin is widely used for treatment of resistant bugs called MRSA (methicillin resistant staphylococcus aureus) and this complements AstraZeneca's flagship brand Meronem, the ultra-broad spectrum antibiotic with proven efficacy against ESBL (Extended Spectrum Beta- Lactamase) producers. AstraZeneca already has a strong presence in the ICU set up with Meronem. And Vancocin CP, with its strong brand equity and leadership position in the Indian market, was a perfect fit to enhance and strengthen our existing portfolio.

We are stepping up our Indian inorganic growth agenda and moving towards brand in-licensing. The mandate is to in-license (or take over the marketing of) three or four brands from fellow MNCs in therapies relevant to our own areas. We are exploring all possible options like in-licensing a cluster of India-specific brands from MNCs or in-licensing from an MNC which is not present in India, or present but not strong in the therapy area that we are addressing. These are initial days.

What are AstraZeneca's manufacturing and R&D plans for India?

AstraZeneca India Pvt Ltd (AZIPL) is an integral part of the global organization. Its mandate is to discover new chemical entities for the treatment of infectious diseases of the developing world. We have a state-of-the-art facility in Bangalore dedicated for this. We were one of the first MNCs in the country to have made a unique commitment to work in the diseases of the developing world. The center is working in the area of tuberculosis (TB). The center is headed by Dr Balganes. More than 90 scientists, who have been recruited from leading research institutions and universities work at the Center, in close collaboration with AstraZeneca's infection research center in Boston, Massachusetts, and with external academic leaders in the field. Its programs include the first major effort in 40 years to find new cures for TB and so far AstraZeneca has invested more than \$40 million.

We are building a new state-of-the-art process R&D facility, adjacent to our R&D facility, covering 6000 sq mts on a 3.5-acre plot. It will accommodate a team up to 50 more scientists and house the associated support staff. The co-location of the discovery and process R&D scientists will help AstraZeneca to maximize the scientific interactions and enable shared use of the R&D infrastructure. Our initial investment in this new unit is to the tune of \$11 million and the objective is to get the product to lab scale. This facility is expected to be operational by March 2007.

AZPIL's manufacturing facility is spread across 69 acres of area in Bangalore. It is one of the finest facilities in South-East Asia. It has a sophisticated production facility conforming to WHO cGMP (current Good Manufacturing Practices) norms.

How important is biotech for AstraZeneca?

There are three elements to our global strategy to strengthen the pipeline. One, improve the productivity of our in-house discovery and development efforts. Two, aggressively pursue promising products and technologies from external sources; and the third is to build a major international presence in the research and development of biological therapeutics to complement our small molecule capabilities.

The third initiative has been strengthened with the acquisition of Cambridge Antibody Technology. Biological molecules, during the last few years, have been the fastest growing segment of the pharmaceuticals market. While AstraZeneca's science base already has some discovery and development capabilities for new biological medicines, our strength is small molecules. The acquisition of Cambridge Antibody Technology, as a start, is aimed to establish AstraZeneca as a major international player in the research and development of biological therapeutics. We expect that from 2010 onwards one out of every four AstraZeneca molecules in full development will be biologicals. We are strengthening the flow of new products.

Ch. Srinivas Rao