

## 8. Aventis Pharama

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### **Standing Against All Odds**

Aventis Pharma registered a growth of about 11 percent from its vaccine sales in 2004-05

Aventis Pharma, in spite of stiff competition from the local companies, was able to register a growth of about 11 percent from its vaccines sales in 2004-05.

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Aventis Pharma Ltd, a second largest pharmaceutical multinational company in India has recorded total sales of Rs 794.1 crore in 2004 with a growth of 7 percent against market growth of 5.6 percent. Its sale revenue from vaccines division is Rs 85 crore. Although its key brand, Rabipur faced tough competition from the local brands, it was able to see a growth of 11 percent over the previous year. Its sales are expected to grow at 10-15 percent in this current year.

Aventis Pharma has a total work force of 1242 people. It has six regional offices in Mumbai, Calcutta, Delhi, Hyderabad, Lucknow and Chennai and two state-of-the-art manufacturing sites at Ankleshwar and Goa. Though it is not actively involved in R&D of its own in India, it has access to the Group's global research initiatives and has an impressive line-up of blockbusters in the pipeline.

Its Ankleshwar site is shared with Chiron Behring Vaccines Pvt Ltd (CBVPL) and Aventis CropScience. The CBVPL is a joint venture company in which Aventis is holding 49 percent. As per the agreement CBVPL will manufacture Rabipur, anti rabies vaccines for Aventis Pharma upto April 2008 that will market it in India.

Rabipur is one of its leading brands in its vaccines basket. It ended the year well even though there were shortages of the vaccine in the market throughout last year. It had a growth of 11 percent.

Both the retail and hospital segments showed good growth, which led to overall strengthening of its position in both the markets. Rabipur fought the competition effectively by retaining its leading position in the anti-rabies vaccine market. Increasing the brand penetration had been the major focus in 2004. Large number of activities were undertaken to reach doctors and patients in the rural markets. The major cause for concern is the increasing competition in the market with new brands being launched.

The competitors are also heavily discounting the prices through various trade offers and schemes. The decision of the Government of India to phase out in 2005 outdated nerve tissue vaccines will accelerate the demand for modern tissue culture vaccines such as Rabipur. Besides Rabipur, Aventis is selling other vaccines such as Vaxem HIB, Morupar and Typhoral. These are sold in small quantities.

Besides vaccines it is also into insulin business. Lantus is its star in the portfolio for diabetes treatment in India. Lantus (insulin glargine) was introduced in the last quarter of 2003. Lantus is the first and only 24-hour basal (long acting) insulin in India for patients in both Type 1 and Type 2 diabetes. In addition to this Aventis had launched Insuman, human insulin product in 1995. Now about one out twenty-insulin patient in India is currently using its Insuman.

Aventis believes that in markets such as India and other developing countries, global strategy must align to local requirements, so that the real needs of patients and healthcare providers are met efficiently and cost effectively. Making available products of global innovation, marketing them with skill and maintaining leadership in segments of existing strength remain the key strategic imperatives.