

Events

West China Hospital of Sichuan University, China Wins Two Golds at the Asian Hospital Management Awards 2011

(Fox Wilmington, 2011-09-19)

The Hospital Management Asia 2011 Conference kicked off a grand opening in Singapore Resorts World Conference Center. Two projects of **West China Hospital of Sichuan University** from China won the Gold Awards. The Executive Vice President Mr. Zhang Wei received the trophies on behalf of the hospital. This year, West China Hospital submitted 6 projects for the Awards assessment. Among them, «The Project of Epilepsy Prevention and Control in Tibet» led by the Department of Neurology and «The Project of Platform Construction for New Medical Services Model and The Treatment Technology for Hemorrhagic Stroke» led by the integrated nerve ward / neurosurgery, won the Gold Awards in the field of Corporate Social Responsibility and Clinical Services Improvement after fierce competition, making it the only medical institution that won two Gold Awards this year.

Scientific News

China Scientist Given Lasker Award for TCM-based Malaria Drug

(CNTV, 2011-09-17)

Dr. YouYou Tu of the **China Academy of Chinese Medical Sciences** in Beijing was given the 2011 Lasker Award for work that led to the discovery of artemisinin, the world's foremost treatment for malaria. Dr. Tu's investigations, conducted 40 years ago, scoured ancient literature for TCM recipes that would be effective against the deadly disease. One of these, described originally 2000 years ago, seemed especially promising. It became the world's most effective treatment for malaria, artemisinin.

Asia/Pacific News

Takeda scouts for M&A in India, plots Chinese growth

(Fiercepharma, 2011-09-16)

India and China are on most expansion-minded drugmakers' shopping lists. So, it's not a huge surprise that top Japanese drugmaker **Takeda** Pharmaceutical is eyeing M&A in India. Takeda is looking for Indian partnership and joint venture opportunities. It's also looking at buying Indian companies. The company hasn't reached any «specific agreements» but it's «actively» shopping around. Meanwhile, the Japanese company is also pumping up its operations in China. Takeda is aiming for \$1 billion in Chinese sales in four to five years. It's in the process of recruiting 650 reps, enough salespeople to more than triple its current force of 250. Takeda's motivation for expanding in these countries is the same as Big Pharma's: Growing generic competition for key branded drugs, as well as pricing pressures in and slowing growth in mature markets. The Japanese company's top-selling drug, the diabetes treatment Actos, faces generic rivals in August 2012, and its current financial forecasts include lower profits over the next several years. So, it has plenty of ground to make up.

Indian, Chinese drug makers target cheap, accessible biosimilars

(Fiercebiotech, 2011-09-19)

Over the past few years some of the most influential groups in biotech have been hammering away at the argument over biosimilars, effectively shaping discussions around the core notion that complex biologics can't be knocked off like the traditional small molecule. Now a group of Indian and Chinese companies have invested hundreds of millions of dollars into new facilities that could rock, if not help topple, which has been influencing the **FDA** as it slowly ramps up a new regulatory structure to deal with follow-ups. As Gardiner Harris reports in **The New York Times**, pioneers like Dr. Yusuf Hamied says that they can copy a number of biologics and sell them for a third of their regular price. And that's just for starters. «Once we recover our costs, our prices will fall further,» he told The Times. Some **UN** officials insist that the developing world will need to get these drugs--classic blockbuster biologics like Herceptin, Avastin, Rituxan and Enbrel--at a low cost before they can effectively fight cancer and other non-communicable diseases. And that's a big focus in countries like India and China, where pharma giants have been investing big bucks as they position themselves to reap the rewards found in emerging markets. Provided these upstart developers can deliver as promised, without presenting a host of new safety issues in their wake, the FDA could find itself under siege to explain why biosimilars will arrive in the U.S. slowly, with price tags that are still substantial.

Cipla, with Plants in China and India, Goes After Biosimilar Market

(ChinaBio Today, 2011-09-22)

Cipla, the Indian generic drugmaker, revealed it has invested \$165 million to build facilities in China and India to produce biosimilars. The company is working on developing copies of at least a dozen biotech drugs with a goal of charging only one-third their current price. Last year, Cipla paid \$25 million to buy a 25% stake in BioMab, a Shanghai maker of biotech drugs. Cipla and BioMab both contributed to the \$165 million investment, though details were not disclosed.

Chinese Pharma & Biotech Press Review

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Healthcare News

Hua Medicine Raises \$50 Million to Develop and Commercialize Drugs

(Bioportfolio, 2011-09-21)

Hua Medicine, an innovative drug development and commercialization company in China announced in conjunction with the BioBay Investor Forum organized by **ChinaBio LLC** and **Suzhou BioBay**, that it has secured \$50 million in new financing commitments from a prestigious group of US and Chinese healthcare investors. The funds will be used to further Hua's internal development programs as well as provide financial resources for the acquisition, development and commercialization of additional programs.

Hitachi Medical breaks ground on Suzhou plant

(Sipac.gov.cn, 2011-09-20)

Hitachi Medical System (Suzhou) Corp., a unit of Japanese medical device maker **Hitachi Medical Corp.**, has started construction of a second plant in Jiangsu Province's Suzhou City. Located in Suzhou Industrial Park, the 130,000-square-meter facility will cost a total of \$107 million and is intended to expand the Suzhou subsidiary's capacity for x-ray fluoroscopic radiography systems and diagnostic ultrasound imaging equipment. It will also include a research and development (R&D) center. Hitachi Medical furthermore plans to use the plant to manufacture products it currently makes in Japan, and will target the output at emerging markets.

Avenue Capital Plans \$313 Million Fund for China Medical City

(ChinaBio Today, 2011-09-17)

Avenue Capital Group, a New York-based hedge fund and private equity investor, has teamed up with China Medical City in Taizhou to form a healthcare industry investment fund. It plans to raise \$313 million, of which \$157 million will be available by the end of this year. The PE fund will invest in CROs, biopharmas, drug distributors, medical device makers and hospital companies – all of them located in China Medical City.

China is committed to the prevention and treatment of non-communicable diseases

(新华网, 2011-09-20)

Chinese Minister of Health Chen Zhu declared in New York that China would strive to find ways to prevent and treat non-communicable diseases (NCDs), taking into account the Chinese specificities while participating in the sharing of experiences with the international community and making a contribution. Chen made the remarks at a meeting of the UN General Assembly on NCDs. He pointed out that NCD had become the primary threat to health in the Chinese population with more than 260 million patients. It is therefore crucial in his view to strengthen the prevention and treatment of NCDs.» The Chinese government is implementing a global scientific concept of comprehensive development, sustainable and coordinated» said Chen, adding that the National Master Plan of China for five years to come had as an indicator of increased average life expectancy of one year. The UN General Assembly, which represents all 193 member countries, began a high-level meeting unprecedented NCD to draw attention to these diseases and to develop an action plan to combat them. Chinese Minister of Health stressed that the effective prevention and treatment of NCDs was one of the key measures. The universal health coverage for 1.3 billion Chinese people is a goal that is the core of the healthcare reform that is currently developing in China.

TCM watchdog unveils development plan for Hainan Province

(SATCM, 2011-09-21)

The State Administration of Traditional Chinese Medicine (**SATCM**), China's TCM industry watchdog, has agreed to work with authorities in south China's Hainan Province to promote the local TCM sector during the 12th Five-Year Plan (2011-2015). The agreement comes after the SATCM in June signed a similar deal with authorities in west China's Gansu Province, which paved the way for future cooperations between the regulator and local governments. Like Gansu, the island of Hainan has a small population and is rich in natural TCM resources - some 3,080 native medicinal herbs grow there and more than 3,000 marine creatures with medicinal properties are found in the surrounding seas. But its TCM sector remains underdeveloped compared with most places on the mainland.

MicroPort to acquire orthopedic implant maker

(Business Highbeam, 2011-09-13)

MicroPort Scientific Corp. (**MicroPort**), a leading vascular device maker in China, will strengthen its orthopedics operations with the acquisition of a Suzhou City-based producer and distributor of orthopedic implants. MicroPort's orthopedics unit, Shanghai MicroPort Orthopedics Co. Ltd. (MicroPort Orthopedics), has agreed to acquire Suzhou Best Co. Ltd., the shell company that owns the implant firm, for RMB 110 million (\$17.23 million). The announcement did not disclose the name of the implant maker, which has two workshops producing eleven product lines of trauma and spinal orthopedic devices. The deal is intended to shore up MicroPort's position in China's fragmented orthopedics sector after the industry recently showed signs of consolidation, the company said.

Pharmaceutical Industry

Lingrui Pharma plans private placement to fund relocation, expansion

(Interfax.cn, 2011-09-19)

Traditional Chinese Medicine (TCM) maker Henan Lingrui Pharmaceutical Co. Ltd. (**Lingrui Pharma**) hopes to raise RMB 386 million (\$15.67 million) in a private placement to fund the relocation and expansion of its main production plant for oral drugs. Authorities in Henan Province's Xinyang City ordered the company to relocate the facility to the suburban Xinyang Science and Technology Park from its current downtown location, said Ye Qiang, an investor relations representative. The firm is set to receive compensation from the city government for vacating the 100-mu (66,667 square meter) site, but Ye declined to disclose further details. The new plant is slated for completion in early 2014.

Hepalink to inject \$12 mln into HK unit

(ANDANH, 2011-09-16)

Shenzhen Hepalink Pharmaceutical Co. Ltd. (**Hepalink**), China's largest producer of heparin sodium active pharmaceutical ingredient (API), plans to inject HKD 95 million (\$12.18 million) into its wholly-owned Hong Kong subsidiary and develop it into a platform for overseas expansion. Hepalink has yet to establish a subsidiary abroad, despite exporting 99 percent of its heparin sodium active pharmaceutical ingredient (API) output. Part of the injection will be used to double the registered capital of the subsidiary, Hepalink (Hong Kong) Co. Ltd., from HKD 5 million (\$641,000) to HKD 10 million (\$1.28 million).

Shanghai firm to solve national heart drug crisis

(上海日报, 2011-09-15)

The main producer of a drug whose short supply has forced major hospitals in China to stop heart operations since late July, promised to increase production. Protamine sulfate injection is used to reduce bleeding after heart surgery. Officials from **Shanghai Pharmaceutical (Group) Co**, whose Shanghai No. 1 Biochemical & Pharmaceutical Co was until recently the only domestic producer of the drug, said it was aware of the shortage and would be expanding production. It said it had reduced production early this year due to a shortage of raw materials. Protamine sulfate is extracted from the sperm of salmon and other species of fish and is used after surgery to help control bleeding. Doctors said it had been in use since the 1960s and cost just 11.2 yuan (US\$1.75) per pack. There is no alternative product on the market. Hospitals in Shanghai said the shortage of protamine sulfate had not had any effect on heart surgeries so far but couldn't promise that would continue. Hospitals in other provinces have been seriously affected, however, with some having had to cancel heart surgery. The **SFDA** said it was coordinating drug production and would give the green light to other companies applying for a production license. An SFDA official said the reason for the shortage was complicated, involving raw material supply and pricing and the government would be carrying out research to help solve the problem.

Pfizer Signs Jointown to Distribute its Drugs in China

(Current Partnering, 2011-09-19)

Pfizer has signed a China drug distribution deal with **Jointown Pharmaceutical Group**. The agreement will give Pfizer entry into Jointown's network of provincial hospitals, OTC outlets and other rural markets. As a result of the arrangement, Pfizer is shutting down its own network that distributed drugs to pharmacies. Financial details of the relationship were not disclosed.

Shanghai to attack medicine shortages

(Shanghai.gov.cn, 2011-09-16)

Shanghai has set up a mechanism to help solve the shortage of cheap but effective medicines, which are disappearing from the market due to meager profit margins, authorities said. The government will give subsidies and take other actions to encourage production, according to officials of the Shanghai **SFDA**. In recent years, there have been repeated shortages of many key medicines because their low prices that have removed the incentive for firms to produce them. Some 342 kinds of cheap medicine are hard to find or are disappearing completely. They range from skin creams to anti-viral drugs to allergy medications. Eleven cheap, classic medicines that are under shortage or have run out of stock will reappear in Shanghai with the same price at 10 outlets of Huashi Pharmacy. One such drug is chlortetracycline hydrochloride eye ointment, which saw a halt in production early this year due to its price of only 2.4 yuan (38 US cents).