FDA Approves Sustiva™ for Treatment of AIDS

The US Food and Drug Administration (FDA) recently approved Sustiva™ (efavirenz) — the anti-HIV drug from DuPont’s Pharmaceuticals (a component of DuPont’s Life Sciences Enterprise) — for treatment of HIV-1 infected individuals. Sustiva is the first FDA-approved anti-HIV drug to be taken just once daily. It will be used in combination with other anti-HIV drugs.

Sustiva is the third of a class of drugs — nonnucleoside reverse transcriptase inhibitors (NNRTIs) — approved by the FDA. It is capable of blocking viral replication in a different mode from the ‘protease’ drugs such as Crixivan from Merck & Co. or the ‘nucleoside inhibitor’ drugs such as AZT and 3TC from Glaxo Wellcome PLC.

According to Nicolas L. Teti, president of DuPont Pharmaceuticals, “FDA’s approval of Sustiva is excellent news for people living with HIV and AIDS. Sustiva will be a very versatile product and provide a significant therapeutic alternative. We are pleased the FDA review was even more rapid than our expectations.” The application for Sustiva was submitted to the FDA in June.

Three-Way Alliance to Co-Promote SmithKline Beecham’s Paxil™

In September 1998, a three-way partnership consisting of Scios Inc., SmithKline Beecham (SB), and Janssen Pharmaceutica was formed to co-promote Paxil™ (paroxetine HCI), the fastest growing selective serotonin reuptake inhibitor (SSRI), anti-depressant drug on the market. Paxil, which regulates the brain chemical serotonin, is used to treat depression, panic disorder, and obsessive-compulsive disorder. Paxil sales totaled almost US$1.5 billion worldwide in 1997.

The alliance between SmithKline Beecham and Janssen Pharmaceutica was previously formed in 1993. The main objective for the inclusion of Scios Inc. is to reach more potential subscribers of Paxil. Scios was chosen because of the company’s good results in the past in the promoting of other SB products. Furthermore, Scios clinical benefits are being demonstrated in a growing number of psychiatric conditions. Each of the three companies will target specific and pre-defined groups of psychiatrists and physicians in order to maximize sales of Paxil.

Scios also has exclusive rights to market other SB psychiatric products, such as Thorazine™, Stelazine™, Parmate™, Eskalith™ and Eskalith™ CR 450. Recently, Scios gained the rights from Janssen to co-promote Risperdal® (risperidone), the most frequently prescribed antipsychotic. The effectiveness of the 90-member sales team of Scios is evident from the sales figures. In 1997, Scios’ profitable commercial operations division contributed US$8 million to Scios’ cash flow.
Chiron Sells Diagnostic Unit to Bayer

Chiron Corporation has agreed to sell its diagnostic unit, Chiron Diagnostics, to Germany's Bayer AG for US$1.1 billion. Chiron Diagnostics is based in Walpole (Massachusetts). It employs 3000 staff and operates a wide range of critical care and other diagnostic services. As part of the deal, Chiron will also license some of its patents to Bayer in exchange for royalties.

This move will enable Chiron to focus on treatments of serious illnesses such as cancers, infectious diseases and vaccines, and on providing safe blood supply. The acquisition is expected to be completed before the end of the year. According to Chiron, the deal will eventually earn the company more than US$2 billion after taking into account royalties from Bayer and possibly other companies. The sales will leave Chiron with businesses that are more profitable and have greater growth potential. Chiron may be using some of the cash proceeds from the sale to purchase back stock or make product acquisitions. More concrete plans will be made by end 1998.

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Bayer, FDA to Halt Trials for Alzheimer's Drug

Bayer AG, after consultation with the US Food and Drug Administration (FDA), has agreed to suspend eight of its ongoing clinical trials for metrifonate, a drug with the potential to treat symptoms of Alzheimer's disease. Earlier trials have reported encouraging results in individual Alzheimer's patients administered with metrifonate, with only mild side effects observed in patients, such as abdominal pains and nausea. Metrifonate acts be inhibiting acetylcholinesterase, an enzyme that affects the brain and nerve cells.

The decision to stop the trials came after Bayer observed muscle weakness in 20 out of the 3000 patients taking the drug in tests worldwide. In some cases, patients had required a period of respiratory support. The suspension of clinical trials will mean a delay of at least three months in the testing, during which time Bayer will conduct an in-depth study on the problem of muscle weakness caused by the drug.

In late 1997, Bayer applied to the FDA, European and other health authorities to market metrifonate as an Alzheimer's treatment. The company had hoped to start selling the drug in 1999. According to Bayer, drug sales had the potential to reach about DM700 million (US$416 million).
The Kao (Taiwan) Corporation

Kao (Taiwan) — a joint venture between the Japanese Kao Corporation and local Taiwanese interests — began operations in 1964, offering high-quality sanitary products to the Taiwanese public. In 1966, its first consumer product — Kao Powder Shampoo — hit the market, and Moonstar Chemical Engineering began the production of surfactants.

In 1969, Kao bought over the Taiwan unit of Proctor & Gamble, and opened its second factory in Hsintien. In 1983, Moonstar and Kao merged, and in 1991 the company was renamed the Kao (Taiwan) Corporation. It was awarded ISO-9002 certification in 1997.

The Kao Corporation — founded in 1887 — has more than a century of experience in producing household products. Its range of over 300 consumer products now includes bath soaps, body cleansers, disposable diapers, dust-free paper mops, and pore packs. In addition, it now produces more than 1000 products sold directly to industries, including pharmaceuticals, fertilizers, plastics, metals, construction materials, digital audio tapes and floppy computer diskettes. Presently, the company has operations in more than 50 countries worldwide.

In 1989, Kao (Taiwan) opened its laboratory at its Hsinchu Plant, to facilitate active participation in research and development activities. Its research topics currently include the science of fats and oils, surface science, polymer science, production technology and quality control. There are also now two laboratories at the plant — one for household goods and the other for chemical products.

Much attention has been paid to expanding the company’s sales network throughout Taiwan. There are currently six sales branches and four distribution centers across the nation. In addition, the company has established a Retail Support Service Group to strengthen the links between Kao and its retailers.

The Kao Corporation divides itself into five major regions; Japan, South-east Asia, Oceania, Europe and North America. Kao (Taiwan) is the main supplier for the South-east Asian markets, and therefore plays a pivotal role in the success of the Kao Corporation worldwide.