COMPANY NEWS

India’s Glaxo and SmithKline to Merge by December 2001

Following the global merger of GlaxoWellcome with SmithKline Beecham in December last year to form GlaxoSmithKline, Glaxo India and SmithKline Beecham Pharmaceuticals India are likely to merge by December 2001. This was mentioned by Mr. V Thyagarajan, south Asia head of GlaxoSmithKline recently. Mr. Thyagarajan, who is also the managing director of GlaxoSmithKline India, will oversee the merger.

He said that Glaxo India has completed a detailed study of its product portfolio recently to decide which drugs to focus on. SmithKline India will be conducting a similar study. Mr. Thyagarajan said that by May or June 2001, a complete picture should emerge of the commercial and manufacturing impacts of the portfolio analysis.

Mr. Thyagarajan said that the merger of Glaxo India’s sister company, Burroughs Wellcome India, into GlaxoSmithKline was not a priority. The merger of Glaxo and Burroughs Wellcome in India had been delayed for more than four years due to opposition from trade unions in Burroughs over differing wage structures in the two companies.

India’s Sun Pharma Looks into Merger with Local Company

India’s Sun Pharmaceuticals is looking into the possibility of merging with Pradeep Drug Company (PDC). Sun Pharma’s board of directors will meet this month to discuss this matter. PDC has been supplying bulk drugs to Sun Pharma on a contractual basis. Although PDC has not been doing well, Sun Pharma said the move was prompted by a need to ensure confidentiality of its processes and to control the quality of PDC’s production.

PDC had recorded a net loss of almost Rs10 million (US$0.2 million) in 1999–2000. Some analysts have warned that if Sun Pharma were to take over PDC, it would also have to take over PDC’s losses. However, Mr. RK Baheti, vice-president (finance) of Sun Pharma, had indicated that the move was necessary because Sun Pharma is sourcing for specialty, value-added drugs which require certain standards, and therefore there is a need to ensure control.

Currently, Sun Pharma has three bulk drug manufacturing facilities. Two of these cater for export markets, while the third one is solely for the production of sterile anti-infectives. If the merger takes place, PDC’s bulk drug manufacturing unit which produces antibiotics such as erythromycin, clarithromycin and azithromycin, will be the fourth unit for Sun Pharma. It would partially meet requirements of domestic and unregulated export markets.

Ranbaxy to Increase Stake in Specialty Ranbaxy Ltd.

India’s Ranbaxy Laboratories is currently holding talks with Specialty Labs of the US to increase its stake in their joint venture company, Specialty Ranbaxy Ltd. (SRL). At present, Specialty Labs holds a 50 percent stake in SRL.
SRL has a centralized world-class testing laboratory in Mumbai, India. Besides this, it has several subsidiaries in various Asian countries. In Asia, SRL is the largest pathological testing laboratory chain.

According to industry sources, Ranbaxy decided on this move following Specialty Labs’ reluctance to invest additional funds for expanding SRL. Ranbaxy’s proposed expansion includes setting up branches in several cities in south-east Asia, the Middle East and other regions.

Mitsubishi Chemical to Distribute Clinical Diagnostics in Japan

Mitsubishi Chemical Corporation has acquired exclusive licenses to distribute some of the latest grating-coupled SPR technology products in Japan. The licensees are Quantech Ltd. and HTS Biosystems, Inc., both based in the US. An option agreement has also been signed among the parties for Mitsubishi to acquire exclusive product distribution rights in Japan.

At the same time, an agreement to supply and purchase instruments and consumables for research purposes was also signed. Mitsubishi is expected to use the technology to develop and enhance its own commercial products, such as Emergency Department Testing systems and protein chips.

One of Quantech’s key products is its latest SPR technology used to develop an Emergency Department Testing system called “FasTraQ,” which will be launched in the US in end-2001. The FasTraQ instrument allows staff in the Emergency Department to perform multiple time-critical diagnostics tests simultaneously and directly from whole blood. The platform used will also allow the test results to be transmitted wirelessly between laboratory and the patient’s bedside.

HTS is an R&D company established as a joint venture between Quantech and Applied Biosystems, a leading genome-related company in the US. It is involved in the development of highly efficient protein chips for higher throughput screening systems by the creation of arrays using SPR technology.

Japanese and US Firms to Develop Drug for Acute Ischemic Stroke

Mitsubishi-Tokyo Pharmaceuticals, Inc. will work together with Texas Biotechnology Corporation to develop a drug, known as argatroban, for acute ischemic stroke as a second indication in the US and Canada. Argatroban is an anticoagulant used for prophylaxis or treatment of thrombosis in patients with heparin-induced thrombocytopenia (HIT). The drug was approved by the US Food and Drug Administration (FDA) for HIT in June last year and it has been marketed since November.

Both companies will begin Phase II acute ischemic stroke trials for argatroban in the first quarter of 2001. The trial protocol has already been approved by the FDA. In the US, GlaxoSmithKline (GSK) has begun marketing the drug under its generic name “Argatroban Injection.” Mitsubishi-Tokyo has sent a staff member to work with GSK on promotional activities.

Presently, only tPA, a thrombolytic agent, has been approved for the treatment of acute ischemic stroke. However tPA has to be administered not more than three hours after the onset. Argatroban is expected to treat as well as prevent thrombosis in HIT patients.

In Japan, argatroban was approved for use in the treatment of chronic arterial occlusion in 1990, and for acute cerebral thrombosis in 1996. The drug has been reported to be effective in treating these two illnesses.

Virtek Vision to Set Up Sales and Support Center in Singapore

Virtek Vision International Inc. has announced that it will be setting up a regional sales and support center in Singapore. The Singapore office will serve as a support for its Biotechnology Business Unit to cater to the needs of its Asian customers.

Virtek Vision is a Canadian-based company with branches in the US and Europe. It develops precision laser and automation applications for the biotechnology, aerospace, metal fabrication and construction industries. Its biotechnology products include the Virtek ChipReader, the smallest, most sensitive and highest throughput micro-array reader in the world, and the Virtek Chipwriter Pro, the fastest DNA micro-arrayer in the world.

The branch in Singapore is the first of the company’s expansion plans into the growing Asian biotech market. Singapore was chosen as the Asian headquarters because the company believed that there is little time change and cultural difference between Singapore and North America, and the Singapore office is able to provide the same level of efficiency and professionalism.

“With the growing acceptance of genomics and micro-array technologies in the Asia region, it is essential for us to provide direct support to scientists, end users and our existing dealers,” said Brent Gelhar, Business Unit Leader of Virtek Biotechnology.
HK Property Giant Ventures into Biotech

According to the South China Morning Post, Cheung Kong (Holdings) Limited, a business conglomerate in Hong Kong, will be setting up a biotechnology arm. The new business, CK Technology Laboratory, will carry out research mainly in the areas of agriculture, pharmaceuticals and environmental protection. It has already started work on fertilizers and eco-friendly energy.

This venture is a new addition to Cheung Kong’s other diverse interests, including property development, infrastructure and port operations, energy, retailing, hotels, and telecommunications. Cheung Kong is owned by Hong Kong business tycoon, Li Ka-shing, and although the biotech lab. is small in comparison to its overall size, the company is viewing biotech as a potentially lucrative business.

In Brief

• Ranbaxy to Explore Herbal Medicines

India’s Ranbaxy Laboratories is seriously looking into the possibility of entering the herbal medicines sector. It hopes to do so by developing new herbal-based entities through R&D. The company’s strong retail network as well as its established brand names will help its herbal products penetrate the market, locally and internationally. It is said that Ranbaxy has already looked into different business models with regard to this, and the company’s board will soon be making the final decision on which model to opt for.

• Boston Scientific Ties up with Indian Hospitals

The US-based Boston Scientific Corporation (BSC) is looking into the possibility of collaborating with major Indian hospitals in the area of interventional radiology. This was mentioned by the chairman of the company, John E Abele, on his recent visit to India. He said that BSC would offer state-of-the-art technology for interventional radiology where diagnosis and treatment of cardiac arrest is done by inserting catheters in the vein with the aid of IT-based imaging technique. Mr. Abele said that at present, Boston Scientific India has a US$10 million share of India’s US$40 million interventional radiology/cardiology market.

• Dr. Reddy’s Gets USDA Approval for Painkiller

India’s Dr. Reddy’s Laboratories (DRL) has received approval from the US Food and Drug Administration (FDA) to sell its generic form of the painkiller, oxaprozin. Generics are drugs that have gone off-patent. Following the approval, DRL would start selling the drug in the US.

• Chiron to Collaborate with Huabei Pharmaceutical

US company, Chiron Inc., has entered into an agreement with Huabei Pharmaceutical Group Corp. to develop new drugs using Chiron’s proprietary technology. The R&D will be carried out in China.

• Aventis Increases Investments in China

In addition to starting an office in Shanghai, Aventis said that it would continue to increase its investments in China and raise production of drugs for the domestic market to 80 percent by the year 2004. Aventis currently sells over 30 products in China, reaping annual sales of about US$60 million.

• Fudan University Spin-Off to Commercialize Biochip

United Gene Science and Technology Co., a company set up by two professors from Fudan University, has set up a plant in Shanghai that has the capacity to produce two million biochips each year. The products have received approval from the Chinese authorities and will be on sale soon.

• Cinkate and Suzhou Changzheng Pharma in Joint Venture

Cinkate Corp., a US-based company, has set up a joint venture with Chinese company, Suzhou Changzheng Pharma Co. Ltd. Called Suzhou Changzheng-Cinkate Pharma Co. Ltd., the new company will produce leflunomide, a drug for rheumatoid arthritis for the Chinese market.

Policies and Regulations

Expert Committee Set Up to Review Singapore’s Education System

Should Singapore have a second medical school in addition to the one at the National University of Singapore? Should all students take up modules on medicine and biological sciences?

An international committee was formed recently to look into these and other issues relating to medical education in Singapore. The committee, headed by Lord Ronald Oxburgh, honorary professor at the Cambridge University in UK, will conduct a study of the local universities, hospitals and research institutes and organizations involved in the life sciences. It will also meet with policy-makers from key ministries such as the Ministry of Education and the National Science and Technology Board (NSTB), to discuss these matters.

The Ministry of Education, in a statement, said that a review of the education system is timely and would ensure that medical education stays up-to-date and capable of meeting the needs of medical care, clinical research and the overall life sciences industry.

Experts have recognized that medicine nowadays is not limited to a few exclusive disciplines, and encompasses many other sciences, such as computing, engineering and physics. Lord Oxburgh said that “the traditional boundaries of medicine are disappearing as science becomes sufficiently sophisticated to contribute to the understanding of the astonishing complexity of the human body.” He added that “tomorrow’s doctors will need to understand the new weapons at their disposal in their fight against diseases.”