SPECIAL REPORT: State of the Pharmaceutical Industry, 2010—Critical Role of Midsize Pharma

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Decision Resources

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Abstract

Introduction
Will sufficient numbers of Midsize Pharma companies exist in this decade to feed the business development strategies of the pharmaceutical industry? The group of pharmaceutical companies known as Midsize Pharma is becoming critically important to the industry as a whole. Midsize Pharma is a fertile hunting ground for companies looking to grow by consolidation or those looking to cement a stronger position in specialty drugs, emerging markets, and biosimilars/generics. In this report, we assess the health of Midsize Pharma and examine the reasons for the rapid turnover of this group of companies. Although the biotech industry is largely credited as the innovation engine for the pharmaceutical industry, opportunities also flourish in the Midsize Pharma industry. Large and small pharmaceutical and biotech companies all look to Midsize Pharma as a source for needed licensing, partnering, or acquisition activities. Understanding the landscape and dynamics of the Midsize Pharma industry has become a prerequisite for successful drug development and commercialization in many market sectors and geographies.

Questions Answered in This Report
• We analyze the top 150 pharmaceutical companies in 2008 based on worldwide pharmaceutical sales and categorize them as Big Pharma, Midsize Pharma, or Small Pharma companies. What is a Midsize Pharma company? A Small Pharma company? What is the relative sales distribution of these companies?
• The world’s top pharmaceutical companies, including Midsize Pharma firms, span the globe geographically. What proportion of Midsize Pharma companies originate in Europe, the United States, and other countries? What proportion of Midsize Pharma companies originate in advanced, developing Asian, newly industrialized Asian, developing Central and Eastern European, and developing African economies?
• Midsize Pharma represents a unique group of companies with diverse characteristics. What are the Midsize Pharma companies in Japan, Europe, and Asia? What is the focus of these companies and what strategies are they deploying? What are the generics companies and biosimilars companies that are considered to be Midsize Pharma? What are their recent activities and goals?
We undertook a comprehensive analysis of the Midsize Pharma landscape in 2004 and in 2008. Midsize Pharma is a dynamic and fluid group of companies. In the last four years, which companies have dropped out of the ranks of Midsize Pharma and which companies have become Midsize Pharma firms? What can this analysis tell us about the future pool of Midsize Pharma companies and the relative strength of this sector of the pharmaceutical industry?

Scope

- **Experts**: Peter Wittner, principal, Interpharm Consultancy; Barrie G. James, Ph.D., principal, Pharma Strategy Consulting; John Ansell, M.A., principal, John Ansell Consultancy.
- **Pharmaceutical companies**: Top 150 companies based on worldwide pharmaceutical sales in 2008; definition of Big Pharma, Midsize Pharma, and Small Pharma; company distribution by worldwide pharmaceutical sales; geographical distribution of top Big Pharma, Midsize Pharma, and Small Pharma companies; advanced, emerging, and developing country economies as defined by the International Monetary Fund; pharma distribution by country economy, Russia, and the Commonwealth of Independent States (CIS).
- **Big Pharma**: 19 companies, worldwide sales comparisons, country of origin, number of blockbusters, largest therapy areas, mega-mergers.
- **Midsize Pharma**: more than 52 companies, company focus, dynamics of the midsize group of pharma companies, disappearing Midsize Pharma companies, newly minted Midsize Pharma companies.
- **Small Pharma**: 79 companies, developing Asian companies, Asian Tigers, Japanese companies, generics companies, European companies.
- **Asian pharmaceutical companies**: Midsize Pharma, Small Pharma, Indian consolidation, market growth, Asian Tigers, company focus, generics, formulations, active pharmaceutical ingredients (APIs), vaccines, nutritional products, biologics, biosimilars, drug discovery and development services (DDDS), contract research and manufacturing services (CRAMs), industrial products, polymers, radio-pharmaceuticals, China’s National Drug Reimbursement List, Chinese initial public offerings (IPOs), new chemical entities, super generics.
- **Japanese pharmaceutical companies**: Relative size based on worldwide sales, business strategies, international growth, generics, biologics, hybrid business model, vaccines, Big Pharma partnering, OTC, consolidation.
- **Generic pharmaceutical companies**: Major generics companies, relative size based on worldwide sales, Big Pharma’s new affinity for generics, nature of the relationship between Big Pharma and generics companies, anti-competition activities, authorized generics, reverse payment settlement deals, Federal Trade Commission (FTC) findings, European Commission findings.
- **Biosimilar companies**: Companies with disclosed biosimilar development programs, potential acquisition targets, business strategies.
- **European pharmaceutical companies**: Relative size based on worldwide sales, Icelandic financial system, generics, strategies, animal health, OTC, nutraceuticals, drug delivery, formulations, diverse ownership patterns, biologics, APIs, vaccines, specialty pharmaceuticals, biosimilars, branded generics, three game-changing issues, six survival strategies for independence.

**Mentioned in This Report**

- Abbott Laboratories
- Abraxis BioScience
- Actavis
- Actavis Aska
- Actelion
- Advent
- Agensys
- Ajinomoto Pharmaceuticals
- Akari
- Akzo Nobel
- Alcon
- Alexion Pharmaceuticals
- Alfa Wassermann
- ALK-Abello
- Allergan
- Almirall
- Alpharma
- Altana Pharma
- Ambit Biosciences
- Amgen
- Amgen-Dompé
- Amylin Pharmaceuticals
- Andrx
- Apotex
- APP Pharmaceuticals
- Arrow Pharmaceuticals
- Asahi Kasei Pharma
- Askapharmaceutical
- Aspen Pharmacare
- Astellas Pharma
- AstraZeneca
- Aurobindo Pharma
- Aveceia Pharmaceuticals
- Avechagen
- AxiCorp
- Barclays Bank
- Barr Pharmaceuticals
- Baxter International
- Bayer
- Bayer HealthCare
- Bharat Biotech International
- Bharat Biotech
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- Bial
- Biocuticals
- Biocon Pharmaceuticals
- BioDelivery Sciences International
- Biofrontera
- Biogen Idec
- Biogen-Dompé
- BiogenertX
- BioLeap
- BioMarin Pharmaceutical
- BioPartners
- Biotest
- Biotox
- Biovail
- Boehringer Ingelheim
- Boryung Pharmaceutical
- Bracco
- Bradley Pharmaceuticals
- Bristol-Myers Squibb
- Cadila Healthcare
- Calyon
- Cambridge Antibody Technology
- Caraco
- Celgene
- Celltech
- Cephalon
- Cerep
- Cambridge Pharmaceuticals
- Chiesi Pharmaceutical
- Chiron
- Chong Kun Dang Pharmaceutical
- Choongwae Pharma
- Chondrine
- H. Lundbeck
- Handok Pharmaceuticals
- Hanmi Pharmaceutical
- Hisamitsu Pharmaceutical
- Hoffmann-La Roche
- Hospira
- HRA Pharma
- Human Genome Sciences
- IATRICa
- ICICI
- IDM Pharma
- Ildong Pharmaceutical
- Innogenetics
- Intas Pharmaceuticals
- Interpharm Consultancy
- Ipsen
- Ironwood
- Italfarmaco
- Ivacl
- Japan Tobacco
- John Ansell Consultancy
- Johnson & Johnson
- Jubilant Organosys
- Kakem Pharmaceutical
- Kelena
- King Pharmaceuticals
- Kirin Pharma
- Kissei Pharmaceutical
- KKR
- Krka
- KV Pharmaceutical
- Kyorin Pharmaceutical
- Kyowa Hakko Kirin
- Kyowa Hakko Kogyo
- Laboratories Thea
- Laboratorios Kendrick
- Lavipharm
- LEO Foundation
- Leo Pharma
- Eli Lilly
- Lipid Therapeutics
- Lonza
- L'Oreal
- Lupin Laboratories
- Maruho
- Matrix Laboratories
- Maxygen
- Meda
- Medizic Pharmaceutical
- Medifron
- MedImmune
- Medivation
- Medley
- Menarini
- Merck & Co.
- Merck KGaA
- Merck Serono
- Merck Sharp & Dohme India
- Merieux Alliance
- Merind
- Merz
- Minrad
- Mitsubishi Pharma
- Mitsubishi Tanabe Pharma
- Mochida Pharmaceutical
- Nova
- Mylan
- Nestlé
- Nicholas Piramal
- Nippon Chemipharm
- Nippon Kayaku
- Nippon Shinyaku
- Norgine
- Novabay Pharmaceuticals
- Novartis
- Novavax
- Noven Pharmaceuticals
- Novo Nordisk
- NPIL Pharmaceuticals
- Nycomed
- Octapharma
- OncoGenex
- OncoTherapy Science
- One Pharmaceutical
- Orchid Chemicals & Pharmaceuticals
- Organon
- Orion
- Oscotec
- OSI Pharmaceuticals
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- PT Taisho Pharmaceutical Indonesia
- Quintiles
- Ranbaxy Laboratories
- Ratiopharm
- Recordati
- Reliance Life Sciences
- Roche
- Sandoz
- Sankyo
- Sanofi Pasteur MSD
- Sanofi-Aventis
- Santen Pharmaceutical
- Sawai Pharmaceutical
- Schering
- Schering-Plough
- Schwarz Pharma
- Sciele Pharma
- SciGen
- Seattle Genetics
- Seikagaku
- Senju Pharmaceutical
- Sepacor
- Serono
- Servier
- Shantha
- Shantha Biotechnics
- Shionogi & Co.
- Shire
- Sigma-Tau Pharmaceuticals
- Simcere Pharmaceutical
- Sinopharm
- NovoBiac Biotech
- Solvay
- Stada Arzneimittel
- Stallergenes
- Sumitomo Chemical
- Sumitomo Pharmaceuticals
- Sun Pharmaceutical Industries
- Taisho Pharmaceutical
- Takeda Pharmaceutical
- Tanabe
- Tanabe Seiyaku Hanbai
- Taro Pharmaceutical Industries
- Teijin Pharma
- Terica
- Terumo
- Teva Pharmaceutical Industries
- Teva-Kowa Pharma
- Therabel
- Toray Industries
- Torrent Pharmaceuticals
- Towa Pharmaceutical
- TPG
- TSD Japan
- UCB
- United Therapeutics
- Valeant Pharmaceuticals
- Vernalis
- Vertex Pharmaceuticals
- Vetoquinol
- Vianex
- Viatria
- ViroPharma
- Warner Chilcott
- Watson Pharmaceuticals
- Wockhardt
- Wyeth
- Xoma
- Yakult Honsha
- Yamanouchi Pharmaceutical
- Zambon
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- Zentiva
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