



## PHARMACEUTICALS EXPORT PROMOTION COUNCIL

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News / Story reproduced with thanks:- **Hindu Business line**

### **Glenmark ends first out-licensed drug foray**

*Will pursue such deals on promising leads.*

P. T. Jyothi Datta Mumbai, May 15

Direct link to the News/Story:-

<http://www.thehindubusinessline.com/2010/05/16/stories/2010051651380100.htm>

The end has been officially signalled on Glenmark's prospective asthma drug Oglemilast, the first to be licensed out by Glenmark to Forest Laboratories Inc for further development.

Glenmark had with great optimism publicised the out-licensing of this molecule in 2004, in a deal that had the potential of \$190 million. But on Saturday evening, a two-line announcement to the stock-exchanges signalled the end of Oglemilast.

The reason

“Topline results from Oglemilast (GRC 3886) did not meet the primary endpoint in its Phase IIb study on asthma patients. Forest and Glenmark would discuss further course of action regarding Oglemilast,” the announcement, shorn of any detail, said.

Last year, Glenmark had announced that Oglemilast had been shelved for Chronic Obstructive Pulmonary Disease (COPD), one of the disease areas that it targeted. But the company had still kept alive hopes on the asthma front, till today.

After a spate of bad news on the licensing front, Glenmark had seemed to turn the corner early this month, when it formalised a deal with Sanofi-aventis for the development of its novel agents to treat chronic pain, including prospective pain molecule GRC 15300.

Milestone payment

Nevertheless, Glenmark till date has got about \$40 million in upfront and milestone payments from Forest, and Tejin, to which Oglemilast had been licensed for the Japanese market, an official familiar with the development said. And Glenmark sticks with its strategy to out-licence prospective drug-leads, he added. Glenmark has received in total about \$117 million in milestone and upfront payments, from its different out-licensing deals.

Out-licensing

Companies out-licence promising drug-leads, as they may not have deep enough pockets to continue the development of the molecule till it gets commercially launched.

Clinical trials, where the prospective drug is tested on humans after preliminary toxicity tests on animals, are time-consuming, expensive and risky. For, after all the testing, the company may still not have a commercially viable drug.

Glenmark was among the companies early off the out-licensing block. But others including Dr Reddy's Laboratories, Ranbaxy (in its avatar before the stake-sale to Daiichi-Sankyo) and Torrent followed a similar strategy. Still others, like Lupin, have stated they would take the same path when they have a molecule to out-licence.