



## PHARMACEUTICALS EXPORT PROMOTION COUNCIL

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### **Pfizer recalls 3 drugs made by Indian pharma company**

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<http://www.financialexpress.com/news/Pfizer-recalls-3-drugs-made-by-Indian-pharma-company/632160/#>

**New Delhi**The first glitches in the big pharma-generic drug licensing alliance story have surfaced sooner than expected. The world's largest drugmaker, Pfizer Inc, is voluntarily recalling three intravenous (IV) drugs manufactured by Indian drugmaker Claris Lifesciences from the US market. Of these, Metronidazole and Ciprofloxacin injections are IV antibiotics used to treat infections. The third, Ondansetron injection, is used in nausea and vomiting associated with chemotherapy or surgery.

Additionally, Pfizer has also decided to halt distribution of all sterile injectable products in intravenous bags licensed from Claris to ensure patient safety. Pfizer, which started distributing these products in the US this year, had entered into a licensing agreement with Claris in May 2009 to market 15 injectables in multiple geographies .

However, industry sources told FE that Claris has till now supplied only the three above-mentioned drugs to Pfizer as part of the arrangement. Experts feel that a single incident such as this may not make or mar the well thought strategy of big pharma companies to partner with generic firms.

However, recurrence of such incidents could force them to rethink on this 'yet to be perfected' new business model. Considering that these models are still in 'commercial trials' stage for these big firms, repeated embarrassment on 'quality' issues may send innovator drug companies into introspection mode. "Indian generic industry has already adequately demonstrated its capability in highly regulated markets. One incident would not change that perception. However, the important learning is that generic industry must not work in haste, trying to scale up faster than what prudence permits. By risking our reputation, we could scare away much larger future business prospects than the present opportunities," said Murali Nair, partner, Ernst & Young. The drying pipeline of new drugs and slowdown in earnings from the present patented drugs has put enough pressure on innovator drug firms to explore new models and turn rivals into friends by partnering generic companies. In search of new revenue streams, many MNCs have acquired licences from Indian companies to distribute and market generic drugs in multiple geographies. Besides Claris, Pfizer has similar arrangements with Aurobindo Pharma and Strides Arcolab. GSK- Dr Reddy's and Abbott-Zydus Cadila.

"These deals are clearly emerging to be a win-win business model for both generic and innovator firms, in the backdrop of many patented drugs going off patent by 2013. Although unfortunate, one incident cannot prove to be a dampener in this new found synergy. Because of recently approved US Healthcare Bill, the pharma space here would see many more similar partnerships," said Vishal Gandhi, vice-president, Yes Bank.