‘We plan on generating awareness and building on our presence in India’

...says Jamie Hintlian, Vice President, Pharmaceutical Business Unit, AspenTech. He discusses the oft noticed trends in the pharma industry along with AspenTech’s position in this space.

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How has been the transition of the industry?

Over two decades, it has been relatively placid until the past two to four years when change has become significant. During this period, the industry economics have shifted dramatically. For example, 22 drugs out of the top 25 prescribed drugs are generic equivalents, and the remaining three drugs will also go off patent in the next two to three years. This opens up dynamic opportunities for the Indian pharma industry. Globally, another shift is how traditional pharma companies are collaborating with contractors and other third parties for Active Pharmaceutical Ingredients (APIs) manufacturers.

What are the challenges faced in pharma research in India and overseas?

A key challenge facing researchers is the declining investment and effort in this area over time. Companies are not investing as much in this area to find the next blockbuster drug as they did previously. In fact, the pipeline of drugs has continued to shrink. However, there is a noticeable rise in the number of relationships with the Contract Research Organisations (CROs). Third parties are replacing or supplementing traditional R&D organisations in conducting clinical trial management along with process development. Another key observation is that there is an increase in biologics investments, as this area spells high potential and massive opportunities with a direct impact on healthcare, especially in the oncology segment.

Do you think M&As will eventually evolve to be more a survival vs strategic option?

For some companies, M&As are often survival strategies, as this enables companies to capture new opportunities and access new markets. In the past few years, despite the global economy in its doldrums, we saw significant M&As including key industry players such as Pfizer, Merck and Roche, just to name a few. These help increase value for shareholders and concentrate on specific therapeutics. This has also helped traditional big pharma accelerate their efforts to move into biologics and the synergy between two companies will presumably reap greater benefits.

What is AspenTech’s value proposition for this space?

With three decades of optimisation experience, AspenTech is considered a veteran in the software technology space, and has been serving clients such as GlaxoSmithKline, Eli Lilly and AstraZeneca. Our focus in pharma includes a dedicated global sales team helping create the industry’s best practice across the entire value chain. This can be broken down into three key operational areas, namely R&D, performance management solutions in the manufacturing space and supply chain management. Working across multiple industries – chemicals, energy and engineering – allows us to bring best practices to the pharma industry that does not exist there.

How is AspenTech positioned in the growing Indian pharma market?

Our strategy revolves around bringing the same value to Indian pharma companies as we have too many of the world’s top manufacturers. We plan on generating awareness and building on our presence in India. Thus, we plan to continue our initial traction in India and other emerging markets. This is indeed the inflection point for pharma companies, as change has never been happening so quickly and in the right direction too.

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