

## Why MNCs don't bring blockbuster drugs into India

*Reasons: Lack of patent recognition, delay in approvals, litigation woes*

**India had access to only about 30 per cent of the 105 global blockbusters, says Mr Graham Lewis, Vice-President (Europe) of IMS Health.**



**P.T. Jyothi Datta**

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Mumbai, Feb. 27 Multinational drug-makers do not seem to be confident of bringing in their blockbuster drugs, or medicines with \$1 billion revenue, despite India now having a law that honours product patents, say pharma industry experts.

In 2000, India gained access to over 40 per cent of the 44 global blockbuster drugs, said Mr Graham Lewis, Vice-President (Europe) of IMS Health, an international pharmaceutical market intelligence company that provides consultancy and data services.

It did not get any better after the product patent regime kicked-in from January 2005. In 2007, India had access to only about 30 per cent of the 105 global blockbusters, he said in a recent presentation to the pharmaceutical industry.

### **'Pharmerging' markets**

Emerging pharma markets like Mexico, Brazil, Turkey or China seemed to perform better than India, he indicated. These "pharmerging" markets had access to over 80 per cent of global blockbusters in 2000.

And while Mexico's performance continued to be robust even in 2007, at about 80 per cent of the global blockbuster basket, other markets such as Turkey, China, Korea, Russia and Brazil also do infinitely better than India, with access to over 60 per cent of the blockbusters in 2007, the IMS presentation said.

The reason for India not gaining access to a majority of block-busters is the "lack of patent recognition," explains Mr Shailesh Gadre, Managing Director of ORG IMS Market Research & Consulting Pvt Ltd.

In the pre-product patent period, India was a "copy market" (where local companies made similar versions of original innovative medicines).

But even in the post-product patent period, multinational companies do not seem to have the confidence to bring in their blockbusters, as approvals are not happening fast enough, he said. "In three years now, only about nine drugs have got product patents. The process needs to be fast and clear," he observed.

### **Missing out**

**AstraZeneca's cholesterol-lowering drug Crestor, Johnson & Johnson's antibiotic Levaquin and Pfizer's cholesterol drug Lipitor and anti-hypertension drug Norvasc are some original drugs that did not get launched in the Indian market, he said.**

**Countries such as China, Turkey, Brazil and Mexico seem to show more clarity, he says, when queried on why these 'pharmemerging' markets fare better than India.**

**Novartis' Vice-Chairman and Managing Director, Mr Ranjit Shahani, observes that continuous patent-related litigation and sometimes blatant violations of patents by local drug-makers do not instil confidence. Limited time, money and products force businesses to gravitate to where it makes economic sense, he said. Novartis has been at the heart of a long-drawn, high-profile patent-related battle over its cancer drug Glivec.**

**The Indian Pharmaceutical Alliance's (IPA) Mr D.G.Shah, however, questions why companies do not bring in their blockbusters, if they are truly eligible for a patent. The IPA represents large domestic drug-makers, some of who have actively contested the merit of patent applications filed in India by MNCs.**