Boehringer Ingelheim increases focus on Chinese rural areas

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German pharmaceutical company Boehringer Ingelheim is increasingly focusing on the rural areas of China, which generated almost 30 per cent of its net sales, taking the total net sales in China in 2018 to 658 million euros.

“We for the first time exceeded the net sales mark of one billion US Dollars in the overall Chinese market,” Hubertus von Baumbach, Chairman of the Board of Managing Directors of Boehringer Ingelheim told reporters at the company’s annual press conference in Germany.

He pointed out that the amendments to Chinese legislation in the past few years have led to more rapid approval of new medicines such as OFEV and JARDIANCE, which were recently made available to Chinese patients. As a result the business in China increased by a currency adjusted total of 23 per cent.

On the one hand Boehringer invested in all three of its businesses in China in 2018, while on the other hand it acquired ICD Therapeutics just two weeks back. In the beginning of 2019, Boehringer initiated a capacity expansion at its commercial manufacturing site for biologics in China. The expansion covers an additional bioreactor and includes all needed utility and infrastructure to support the GMP operations of 2X2.000L single use bioreactor manufacturing lines.

“We are fully committed to our biopharmaceutical contract manufacturing business in China and it is our utmost goal to serve our customers and their patients with high quality medicines in China and in the global market’, said Prof. Dr. Buecheler, Head of Biopharmaceutical Business Unit at Boehringer Ingelheim earlier.

Boehringer’s biopharmaceutical contract manufacturing business is expected to begin manufacturing the commercial supply of a monoclonal antibody out of its China manufacturing OASIS facility in 2019. This will be the first commercial drug manufactured in the Shanghai facility, OASIS, an important part of Boehringer Ingelheim’s global biopharmaceutical production network.

The acquisition of ICD Therapeutics includes rights to ICD's innovative MacroDel biologics-delivery platform. Boehringer Ingelheim will employ this platform for the development of novel therapeutics in collaboration with nanoPET Pharma GmbH, a former shareholder of ICD Therapeutics.

"Boehringer Ingelheim's collaboration with nanoPET Pharma has the potential to eliminate the hurdle that many cancer biologics face: getting access to targets inside tumour cells," said Norbert Kraut, Global Head of Cancer Research, Boehringer Ingelheim. "We will use ICD's MacroDel technology to develop first-in-class potential drug candidates for intracellular targets across a variety of tumor types, for the benefit of patients who so far have no or only inadequate treatment options."

The company is also investing in R&D in China in with its Chemical Centre of Competence in Shanghai, said Baumbach adding that the country biggest city was also home to the Consanas pilot project – a rehabilitation centre for stroke patients.

Boehringer's continuing expansion of biopharmaceuticals business in Shanghai also proceeded successfully. High quality supplies and finished medicinal products were produced as planned in the last year. In addition, an application for the approval of a customer's product by the Chinese authorities was successfully completed. Boehringer has focused intensively on its activities in China for some years now.

Net sales in Japan dropped by currency adjusted 15.6 per cent to 1.2 billion euros. The drop was due to the factors including the patent expiry and generic competition for the blood pressure medicine MICADIS.

Responding a question, Baumbach said Japan was and will remain for some time second most important market for Boehringer. "We continue invest in the market and R&D and I do not see any fundamental change in that," he assured.

On Brexit, Baumbach said he regretted it and added that the company still regards UK as an important market for launch of new drugs. He said, "The UK in the past was a very important market for us. There is no reason why it should not continue to remain an important market in future despite Brexit. We do anticipate the potential of a rich market, we start from the assumption that our drugs are going to be important in the UK market."

He said though he regretted Brexit, he saw it as an encouragement to fight even more strongly for Europe. The company was however, keenly watching for more details as the developments unfold in Brexit.

(As Reported by Milind Kokje present at the Boehringer Ingelheim headquarters in Germany at the invitation of the company)