BioSpectrum
the business of Bio & Health Sciences
ASIA EDITION

Eisai, Nichi-Iko explore generic pharma biz in China

October 1, 2019 | News

Eisai and Nichi-Iko aim to enhance their pharmaceutical businesses in China



Japan headquartered Eisai Co., Ltd. and Nichi-Iko Pharmaceutical have announced that they have entered into a comprehensive collaboration agreement for the generic pharmaceutical business in China.

The Chinese pharmaceutical market is the second largest market in the world after the United States, and the generic drugs account for more than 70% of its market in terms of value. Also, due to the rapid aging and the government's policies to promote the generic drug market, the continuous growth of generic drugs is predicted. Furthermore, in order to improve the quality of generic drugs, the Chinese government is establishing the stable supply system of high quality generic drugs equivalent to the original drugs, such as it introduces the generic quality consistency evaluation system and provides priority response to the government's centralized procurement system for the generic drugs which have passed its evaluation test.

Under this agreement, Eisai and Nichi-Iko aim to enhance their pharmaceutical businesses in China by introducing the high quality generic drugs which Nichi-Iko maintains the marketing approval in Japan. Eisai and Nichi-Iko specifically select the appropriate products for the Chinese market needs, and Eisai's subsidiary in China sells the products after Nichi-Iko obtains the approval for import and sales in China. Eisai and Nichi-Iko will select the first two products in this fiscal year, and subsequently prepare to launch one to two products every year for the continuous launch from FY2024.

Due to this agreement, Eisai will address a broader range of medical needs in China by further strengthening its Chinese generic business since entering in 2015. Nichi-Iko aims to enter the Chinese market leveraging the Eisai's business foundation in China, as part of the strategic imperatives, "Business Expansion" and "Global Operation" in the 8th Medium-term Management Plan "NEXUS?".

In March 2018, Eisai and Nichi-Iko has entered into a strategic alliance agreement for the generic pharmaceutical business in Japan. By developing the partnership between Eisai and Nichi-Iko in China, Eisai and Nichi-Iko will aim to expand the contribution to patients in China as well as attempt to expand and grow their businesses in China.