

Ranbaxy uses hybrid model to expand global footprint

08 April 2013 | News | By BioSpectrum Bureau



Ranbaxy, like many other Indian firms is leveraging on [big pharma's change in strategy from 'profit alone' model to 'profit together' model](#). It is expanding to various countries in an innovative way which is through Hybrid Business Model. Since 2008, when Daiichi Sankyo acquired Ranbaxy, the two companies have been leveraging on this hybrid business model which brings together the complementary strengths of a global generic company (Ranbaxy) and a top global innovator (Daiichi Sankyo).

The coming together of the two entities marks a paradigm shift in how global pharmaceutical companies collaborate to serve the needs of patients effectively. A spokesperson from Ranbaxy said, "Both Ranbaxy and Daiichi Sankyo believe that this revolutionary model is best suited to cater to the changing dynamics of the global pharmaceutical industry. The combined entity now ranks among the top 20 global pharmaceutical companies."

Also read:

- [Biocon, BMS take insulin collaboration to a new level](#)
- [Panacea expands its footprint in the US](#)
- [Piramal is on a acquisition spree](#)

The collaboration extends beyond marketing and covers the entire value chain including R&D, supply chain, quality & safety management, sales and manufacturing and also corporate social responsibility (CSR). As a member of the Daiichi Sankyo group, in markets where Ranbaxy is the stronger player, Ranbaxy takes the lead to promote both its own generic products, as well as Daiichi Sankyo's innovator products, irrespective of the nature of the market.

In markets where Daiichi Sankyo's is stronger, it takes the lead to promote both its own innovator products and Ranbaxy's generic products. This gives Ranbaxy a distinct edge as it is among the few global generic companies offering a wide range of both generic and innovator products.

As a part of hybrid business model, Ranbaxy inked a deal in June 2012 with Daiichi Sankyo Venezuela to expand its

presence in Venezuela, which is the third biggest market in Latin America. Ranbaxy is planning to sell its products through Daiichi Sankyo Venezuela. The deal will increase the Ranbaxy presence and also further strengthen Daiichi's presence in the area.