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ASIA EDITION

Ã¢â?¬Å?Pharma companies in South Korea will need to invest in skill developmentÃ¢â?¬Â•

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South Korea is an attractive destination for biologics contract manufacturing owing to its strategic location in the Asia Pacific region. Additionally, there is active support and encouragement from the government, making South Korea a global giant in the advanced manufacturing sector. Among many players, US headquartered West Pharmaceutical Services, Inc. is leveraging this opportunity. As local pharmaceutical companies expand their capacity and enhance their capabilities in contract manufacturing, research, and development in biologics, West sees significant potential in the South Korean market. In conversation with BioSpectrum Asia, Journey Hong, General Manager, South Korea, West Pharmaceutical Services, Inc. reveals the growth plans of the company within the Korean market.



How is the contract manufacturing/development sector evolving in Korea? How is West leveraging opportunities in this space?

In line with our customer-focused and market-led approach, a key priority for us is to continue building trust with our South Korean customers by consistently delivering high-quality products and solutions and leveraging our strong scientific and technical expertise. This is where West excels, and we believe it is how we can help our customers succeed to better serve the end patients in Korea and across the world.

Another focus is to assist South Korean pharmaceutical companies in gaining a better understanding of the role that containment solutions play in ensuring the successful launch of a biologic drug. Discussions concerning packaging decisions should be initiated as early as possible within the drug development process between stakeholders. By doing so, the unique needs of a biologic drug and regulatory requirements can be adequately addressed upon the drug's impending launch.

Simultaneously, we are also focused on growing and developing our local team in South Korea to provide better and more tailored services to all our customers.

What are the key plans for the Korean market in FY 24-25? Are you planning new investments, partnerships in the country?

Currently, our team is operating out of a multi-functional space that combines our commercial staff with our warehouse to serve our customers in South Korea. To further boost our operations and support growth while still serving our customers optimally, an expansion of both team size and warehouse capability is one of our key considerations.

More importantly, it is our hope to cultivate stronger relations with our customers via physical interactions and training sessions. We believe this will be particularly informative for our customers, as more players enter the biologics and biomanufacturing sector within South Korea, they may require more support in understanding the local regulatory guidelines for containment services.

Lastly, we are always actively looking into further developing our people's capabilities and operations through new trainings and use of the latest technological systems.

These areas are our key objectives in the coming year, and we look forward to working closer with our local pool of customers and regional stakeholders.

How much revenue is generated from the Korean market for the West? How much growth is expected this fiscal?

West has been serving the South Korean market since the 1980s and we have seen strong growth during the past years, leading South Korea to become one of West's strongest markets within APAC. Especially as the market focuses on high quality biologics, we see an excellent fit for our high-value products. We believe we are well positioned to support our customers in South Korea, and in turn further strengthen our local presence.

Korea's pharma industry is set to receive an extra boost from increased government spending. How do you foresee the growth of the pharma industry in Korea?

In South Korea, the pharmaceutical market is mainly driven by the biologics sector, while generic therapies and medicines comprising the remaining market share. As South Korea fields more support to foster the growth of the industry, aiming to reach a production capacity of 100 trillion won and double export values by 2030, significant opportunities will emerge for Korean pharmaceutical companies.

These opportunities may attract new players to the South Korean market, while existing pharmaceutical companies also have the potential to flourish. But as the market grows, so does the demand from consumers and customers. To tap into these opportunities, the pharmaceutical industry must prioritise quality. Consistent research and development will be needed, and companies must be ready to upgrade their production pipelines to meet evolving expectations and customer requirements. This encompasses not only the development of new medicines but also innovation in drug delivery systems, platform technologies, medical devices, among others.

Despite the potential for growth, South Korean pharmaceutical companies may continue to face supply chain disruptions as a challenge. Hence, it is likely that businesses will invest more time in understanding delivery lead times, aligning containment solutions with certain types of drugs, and navigating the regulatory complexities that impact order fulfilment.

Lastly, the industry will require a skilled and capable workforce to sustain and support its growth. Companies will need to invest in skill development and enhance the capacity and capabilities of their workforce. These efforts collectively contribute to a positive outlook for the pharmaceutical industry in Korea, ultimately benefitting patients in the long run.

What are some of the other current challenges facing the pharma industry in Korea and how is West addressing those?

Globally, the rapidly changing landscape and increasing regulatory focus on product quality coupled with accelerated timelines to bring the product to market are challenges that the pharmaceutical industry faces overall.

Especially in South Korea, the pharma companies do not just serve the home market, in fact most of them have their businesses expanded across Asia. This is why cross-border regulations are perhaps one of the main challenges for the local sector. Organisations looking to expand manufacturing processes outside Korea will have to deepen their understanding of other markets, in various aspects such as customer requirements and fulfilment processes, as well as market regulations.

To stand out, drug developers now must ensure speed of bringing their products to the market with minimised risk, through cutting-edge solutions. The West team in South Korea is making consistent efforts on this front, as an example we offer the innovative West Ready Pack containment solution with Corning Valor RTU Vials to provide drug developers with a complete vial containment solution from development through to commercialisation, streamlining the time taken to launch in market.

Any major expectations from the Korean government to enhance the growth of the pharma industry?

Within the global market, South Korea is gradually cementing a flagship status for companies that are in the field of biologics. Favourable government and business conducive environments that support tax concessions, cash grant, site location support etc. have paved the growth trajectory for the South Korean pharma and biosimilars market.

Given the country's unrelenting focus on high quality biologics as well as the government's push in the overall healthcare sector, we are expecting the momentum to continue and receive consistent support – across investments, policy, regulatory, research & development, and logistics etc.

It would be interesting to see stakeholders in the private and public sector collaborate and identify opportunities for growth that can help establish South Korea as a pharmaceutical powerhouse.

Dr Manbeena Chawla

manbeena.chawla@mmactiv.com