

# Biocon ties up with Mylan of US for biogenerics

**Companies will share development, manufacture and supply costs**

**Our Bureau**

*Bangalore, June 29*

Biocon Ltd on Monday announced an exclusive collaboration with the US-based generic drugs major Mylan Inc to develop, manufacture, supply and commercialise many high-value generic biologic compounds for the global markets.

It did not disclose the financial terms or product details.

"Mylan and Biocon will share development, capital and certain other costs to bring products to market," Biocon said in a release.

"Mylan will have exclusive commercialisation rights in the US, Canada, Japan, Australia, New Zealand and in the European Union and countries of the European Free Trade Association through a profit-sharing arrangement with Biocon. Mylan will have co-exclusive commercialisation rights with Biocon in all other markets. All other financial terms



► *"Through this partnership we hope to deliver high quality, affordable biogeneric antibodies and biologics addressing the need to lower spiralling healthcare costs." – Ms Kiran Mazumdar-Shaw*

and product details remain confidential."

## **WESTERN MARKETS**

The tie-up comes at a time when Biocon has been working towards the regulated Western market; and at a time when the US is pondering a law to allow biogenerics into the market.

The Biocon scrip closed marginally around one per cent higher at Rs 229 a share on the bourses on Monday.

Biogenerics or biosimilars are similar-acting copies of original biologic medicine and can enter the market when the originals go off patent; they are said to cost much less than the innovator drugs.

The Obama Administration wants to reduce the patent period of original biotech drugs from 12 years to 5-7 years to bring in the biosimilars.

The Biocon Chairman and Managing Director, Ms Kiran

Mazumdar-Shaw, "Through this partnership we hope to deliver high quality, affordable biogeneric antibodies and biologics, thereby addressing a critical need to lower spiralling healthcare costs in both the developed and emerging economies."

Mr Robert J. Coury, Chairman and Chief Executive Officer of the \$ 5.1-billion Mylan (2008 sales), described the pact as "one of the more comprehensive and high quality biologics initiatives reported within the industry to date."

## **PATENTS**

An estimated \$25 billion worth of biologics are due to lose patent cover by 2016 and this would create a significant market opportunity for protein or biotech therapeutics, Biocon said.

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