

Economic Growth through Research & Innovation: The Greek Pharma Case

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Return to Growth

Private Investments – Sustainable New Jobs

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The Identity of the PanHellenic Union of Pharmaceutical Industries

The PanHellenic Union of Pharmaceutical Industry (PEF) represents the collective domestic pharmaceutical production of both branded generics, patented pharmaceutical product forms and OTCs in 27 state-of-the-art production units throughout Greece.

Exports to more than **85 countries** worldwide.

Employees directly a **work force of 11,000 people.**

Contributes to the national GDP **2.8 bn EUR annually.**

More than **80 research programs** with academic contribution.

For every 1,000 EUR spent on domestically manufactured medicines the national GDP increases by 3,420 EUR (source IOBE,2013)

Greek Pharmaceutical Industry: An Overview

	2011	2012	2013
Turnover (mio €)	720.2	743	760
VAT-Taxes -Rebate (mio €)	252.3	276	290
Exports (mio €)	275	255	270
Investments 2003-2013 (mio €)	< 800		

Greece 2020 and the Greek Pharmaceutical Industry

In order to help Greece create a welcoming environment for investment the PanHellenic Union of Pharmaceutical Industry has set:

Goals

- Enhance export activities by 50% by 2020 and explore new market opportunities
- Increase workforce by 30%
- Double Investment in R&D (currently EUR 30 million annually)
- Establish new R&D clusters

Strategy

- Technological differentiation
- Enhance business partnerships with companies within EU and abroad
- Extraversion focused at Europe, the Middle East, Asia and Africa
- Establish an R&D roadmap

PEF Member: Pharmathen

A leading R&D company based in Greece

- **Founded in 1969, as a private pharmaceutical company**
- **Focused on the development and marketing of pharmaceuticals, with a strong position in generics.**
- **3 state of the art research laboratories and 2 manufacturing units**
- **Completely vertically integrated company - Activities extend from the development of pharmaceutical products up to their distribution.**
- **Worldwide distribution network of more than 85 countries**
- **Products approved in all EU markets - Distribution rights have been granted to the largest pharmaceutical companies in the world, particularly in Europe, the United States of America and Canada.**

Key Facts:

- **Solid financial position & high growth rates.**
181€ mio sales in 2014 with an EBITDA of 47€ mio
- **1.000 employees**
- **Highly extroverted**
- **Annual R&D investments equal to 15% of turnover.**
- **Among the 50 largest R&D pharma companies in E.U. (R&D score board)**

Pharmathen's Research & Development strategy

- Development of Active Pharmaceutical Ingredients and Pharmaceutical products by *innovative* processes and techniques
- Development of technology platforms for super-generic / innovative product applications, targeting New Therapeutic Entities (*NTEs*)

Key Facts:

- Global Front runners in Long Acting Injectable (LAI) Technology
- Life Cycle Management (LCM) of existing drugs
- Strategic investments in niche areas (such as peptides) & added-value products (Ophthalmics, Modified release formulations)
- Intellectual property ownership on key technologies and products

Innovation through Strategic Investments

Example 1: The Long Acting Injectables (LAIs) Project

- Investment of >12€ mio in Sapes/Rodopi-Greece (New manufacturing facility)
- Research & Development Investment of >15 € mio
- 8 products in the pipeline – first 2 products: Expected launch in 2018
- 2 worldwide patents filed (Pharmathen owns the IP)

Injectable controlled-release dosage improve the effectiveness of drug therapy by:

- ✓ increasing the therapeutic activity
- ✓ reducing the intensity of side effects and
- ✓ reducing the number of drug administrations required during treatment



*The new manufacturing facility for long acting injectables
/ separate module at Sapes facility*

Innovation through Strategic Investments

Example 1: Life Cycle Management – Preservative free Ophthalmics

- Investment of >10€ mio in Research & Development
- 16 products in the pipeline – first 4 products: Expected launch in 2016

➤ Preservative free Ophthalmic products offer superior advantages over currently used treatments especially patients with a known history of non-tolerance to preservatives that are commonly used in multidose ophthalmic products.



Access to EU Funds:

➤ Financing

- First EIB loan under InnovFin in Greece:
EUR 25 million for PHARMATHEN's RDI activities

➤ Research and Innovation Actions

Horizon 2020 projects (“from the lab to the market”) [6 proposals submitted]

- Validation of Biomarkers
- Personalized Medicine
- Novel drug delivery systems
- New routes of administration
- New Chemical Entities

The European Investment Bank has supported public and private sector investment in Greece and in the past 5 years has provided over EUR 7 billion towards projects which have created jobs and boosted competitiveness in various sectors.

However, in the Greek pharmaceutical sector there is a need to allocate more funds for companies with a proven track-record of breakthrough innovation.

Thank you

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