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'Our vision: become a powerhouse for diabetes cure'

Eli Lilly MD talks about tier-pricing and focus on branded generics

ASIAN DATA

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Multinational drug-maker Eli Lilly and Co is initiating a unique pricing mechanism in India to cater to all sections of society.

Edward A. Olazola, Managing Director, Eli Lilly and Co India & Sri Lanka, told *Business Line* in an interview that the company is looking at offering products at different price points for different socio-economic segments, a strategy which it calls 'tier pricing'. It has piloted this tier-pricing with one product and is analysing the market to figure out how this could be replicated for other products, he said.

Edited excerpts:

Where does the Indian market figure for Eli Lilly?

India is an important emerging market for us. In an area like diabetes, we expect it to be one of the largest markets in the world. Forecast from different experts say it (the number

of diabetes patients) could reach 100 million in 15 years (from 60 million now).

As a company, our vision is to be among the top 20 by 2020 and truly become a powerhouse for diabetes cure. Look at our diabetes portfolio worldwide, all those medicines will be launched in India in the next few years.

From the business point of view, we've been growing in double digits for the last three-four years.

Lilly India has been growing faster than the market. Almost everything we develop, we'll bring it to India.

Could you tell us a little about the India-specific plans?

Two-three months ago, we announced L1 Therapeutics – branded generics in oncology. India was the first country (where we introduced it). That was done because we are truly committed to innovation. At



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Managing Director, Eli Lilly

the same time, we recognise that in a country like India, a large number of patients still need high-quality medications, especially in cancer and oncology.

So, we introduced L1 Therapeutics to make those products available at an affordable price.

Also, we're offering some products at different prices (tier pricing). That's some-

thing we piloted in a product last year, it was launched in the country and we are analysing all the products to make our medications available to as many patients as we can.

How much of a competition do generic manufacturers give to you?

We are competitors – originals and generics. In the case of branded generics, yes there are a lot of competitors.

But what makes us different is that in the case of branded generics, we are talking about high-quality products introduced through our own sales force.

So, we continue to provide the high standards we have from an education point of view, from patient point of view, is there competition? Yes. But we have the right portfolio, we have the right people, I think we are ready.

So, would Eli Lilly increase its focus on branded generic products?

We remain committed to innovation. We will be introducing later this year (more) new innova-

tive products. In branded generics, what we have for now is in oncology. We have a portfolio and we'll probably introduce different formulations and, perhaps, a couple of other products later.

This year, some of your patents are set to expire. What kind of impact is that likely to have? And could you tell us about Lilly's future pipeline?

Yes, obviously it will have an impact. At the same time, we are ready for that. We have a three (new products) that we have submitted (data to regulators), we probably expect to get one or two this year and the others next year.

It's hard to say because we don't know whether the regulatory authorities will ask for additional information. What's important is that we have the largest pipeline in history. For the first time, we have 13 new products (in the pipeline).

Once those products get approved either in the US or Europe, we intend to bring those to India from 2015.

Company