

MNC DRUG PLAYERS' LOCAL ARMS IMPROVE MARKET SHARES AFTER M&AS OVERSEAS

Big Pharma M&As aid India biz

Soma Das

New Delhi, May 17: Big Pharma's big fat weddings abroad have showered blessings on their Indian subsidiaries as well. Several pharma MNCs in India with a significant presence in niche therapeutic segments have enjoyed a boost in domestic marketshare after overseas mergers. This promises to shake up the pecking order in the Rs 50,000-crore domestic pharma market, making three out of Top 10 pharma companies by market share in the Indian market of foreign origin, compared to only one in 2009. The three entities are GlaxoSmithKline, Pfizer-Wyeth and Abbott —

DRUG WATCH

Company acquirer	Company acquired	Time of announcement	Value of deal \$ bn
Pfizer	Wyeth	Jan '09	68
Merck & Co (MSD in India)	Schering Plough	Mar '09	41
Abbott	Solvay	Sep '09	7
Novartis	Alcon	Jan '10	39



Solvay. In 2009, only Glaxo was the MNC player among the Top 10.

While Pfizer has already entered the Top 10 club after its Wyeth integration, Abbott, going by current market share, would enter the league as soon as it completes the merger of Solvay Pharma. Mean-

while, Merck, Sharp & Dohme (MSD) has leaped over 80 ranks in India, riding on its acquisition of Schering-Plough. Following their global acquisitions, Abbott and Novartis are set to make substantial gains in niche segments here.

Through its Solvay acquisition,

Abbott has emerged as the market leader in the Rs 4,350-crore gastrointestinal market, with no less than 11% of the domestic drug market size. On its way to the top, it has beaten rivals Cadila Healthcare, Dr Reddy's and Alkem. Abbott, which already commanded 4.9% of the market, will account for 7.2% of the gastrointestinal market once Solvay's share is added to its kitty. Solvay's portfolio would also bolster Abbott's position in the Rs 2,230-crore neurology market in which Abbott already ranks fourth with a market share of 7.5%. Moreover, through Solvay, Abbott is making an entry in the vaccine arena.

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Industry