

## Big Pharma M&As aid India business

■ Continued from Page 1

After its Solvay integration, Abbott could break into India's Top 10 pharma club at No.9 position, right behind Pfizer. According to industry sources, the exercise is under execution but an announcement on full merger may have to wait. Abbott is currently positioned at No. 12 in the hierarchy with a market share of 2.28%, while Solvay ranks 41 with a market share of 0.28%. Similarly, Swiss pharma giant Novartis AG could become one of the top five leaders in the Rs 600-crore plus Indian eye care market from its 13th rank, if its takeover of Alcon goes through seamlessly and results in the integration of Al-

con India with the Indian arm of Novartis. Such a combined entity would then command a market share of 7.5% in the domestic eye care market. The proposed merged entity would reach roughly half of what current market leader Allergan commands, discounting the new products from Alcon's stable that Novartis could launch in the Indian market. Currently, Novartis India accounts for only 2.3% of the total eye care market, while Alcon holds 5.2%. In climbing the ladder, Novartis would jump eight notches and surpass rival GSK (market share of 3.5%), among others such as Micro Labs, Sunways and Intas.

The impact of the churn is already visible. MSD, which figured nowhere among the top 100 till last June has leapfrogged to No.28 at last count, improving its market share to almost 1% compared to 0.1% in February 2009, when it ranked 142. Its \$41-billion acquisition of Schering-Plough (which ranked No. 36 in February 2009) was announced in March 2009, through which it also inherited the reins of Organon India Ltd.

Pfizer, following its Wyeth integration, has lurched forward to No.8 in January with a market share of over 3% from No.12 in December with a market share of 2.7%. Pfizer announced the \$68-

billion acquisition of rival Wyeth in January 2009. However, Big Pharma is not satisfied yet with the market gains. While K G Ananthakrishnan, managing director, MSD India told FE that the company aims to be among the top five players by 2015, Pfizer's regional president for South East Asia Gerry Bacarro stated earlier this year that the company wants to be among the top five in the country in a few years.

In value terms, global pharma M&A activities peaked in 2009, touching the decade's high of \$147 billion. The value of deals in 2009 is over 20% of the value of all pharma deals in the decade which stand at \$690 billion.

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