

Biosimilars: Affordability and Accessibility

Biosimilars present the next big growth opportunity globally. The challenge in biosimilars is in developing drugs similar to the innovators as the regulatory pathway is still not well-defined in the developed markets. The opportunity is in addressing underserved needs of patients globally as biotech products are largely used in critical disease conditions.

Circa 2001, Dr. Reddy's launched its first indigenously developed biosimilar product – Grafeel™ (Filgrastim). At the time of its launch only a small proportion of the patient population was being served by the innovator product. Graph 1 and 2 illustrate the impact created by the launch of Grafeel™ on two important fronts – access as well as affordability. Prices were lowered by more than 50% but more importantly, the volumes increased more than ten-fold, indicating greater reach to cancer patients.

G-CSF: Price Drop

- Generics entry at about half the price of innovator
- Price dropped by innovator to similar levels as generic competitor

G-CSF: Market Growth in Vials

- Market grown by more than 10 times post generics entry (implies suboptimal price elasticity)
- Total profits increase for industry
- Accessibility and affordability increase for patients

G-CSF Case Study

