BioSpectrum
the business of Bio & Health Sciences
ASIA EDITION

Mr Tarun Pandotra, PRA India: Drug discovery outsourcing will gain momentum in 2013

December 25, 2012 | Opinion | By BioSpectrum Bureau



The drug discovery outsourcing market will experience high revenue growth from 2013-to-2023. Expansion of the market will be stimulated by the rising costs of pharma R&D, advancing technologies and development of biologics. The complexity and technological advances in drug discovery will make it more challenging for many companies to conduct drug discovery in-house.

More companies will use contract service providers to gain access to technologies and skills not available in-company. Outsourcing has the advantage of flexibility, whereby a company does not have to invest heavily in facilities and equipment for research. Opportunities in drug discovery include the formation of strategic alliances between pharmaceutical companies and CROs-a trend that will increase.

In addition, niche CROs are well placed to provide services for companies needing specialized pharma research. In 2012, the drug discovery services industry is fragmented; that situation is unlikely to change soon. Service providers will still compete in crucial areas of price, quality and range of services, the study shows.

Drug discovery outsourcing is the reaction and solution to a changing pharma R&D climate. The global healthcare market will continue to have many unmet needs, requiring novel drugs to treat diseases. For example, targeted therapies in areas such as oncology and CNS disorders have high developmental needs.

Outsourcing offers a platform for companies to reduce costs and improve their drug development, including getting faster and more-dependable results. There are also cost savings possible. Outsourcing drug discovery will result in strong revenue growth for those services in emerging countries such as China and India. Developed countries will also achieve high growth, especially to 2017.