BioSpectrum the business of Bio & Health Sciences ASIA EDITION

Dr Karen Chu, Parexel: Global firms will shift drug development operations to China in 2013

December 26, 2012 | Opinion | By BioSpectrum Bureau



Recently, we've witnessed the increasing focus by biopharmaceutical companies worldwide including Asia Pacific in initial stages of drug development planning as well as a shifting of key R&D activities to China.

More than 15 pharmaceutical giants, such as Novartis, Johnson & Johnson, Merck and Roche have established R&D centers in China and continue to expand. With the same focus, the Japanese and the Korean biopharmaceutical companies also realize the need to penetrate the China market. In the short term, we also see SFDA's five-year plan to take effect. From 2009-to-2011, the Chinese government already increased the coverage of basic medical insurance by 25 percent, providing medical care for 90 percent of its population in the main cities.

With the increasing demand for better medical healthcare and $1.6 million (RMB10 billion) government funding to support the Chinese drug innovation, we expect more genetic drugs, antibody, therapeutic vaccines, and traditional Chinese medicines from domestic companies to come on the market in the near future. By 2015, we can expect the Chinese pharmaceutical market size to rise to the top, overtaking the European powerhouses and exceeding Japan.

The year 2012 was an exciting year for Parexel, as it reached the 30-year milestone. Parexel is the pioneer in driving new innovations in the way drug development programs are being conducted. For large pharmaceutical companies, we've tailored different strategic partnership solutions according to their business objectives and infrastructure to achieve the time efficient and cost effective savings. Alternatively, we've established the BioPharm Unit to help small and mid-sized biopharmas to navigate through complex regulatory requirements yet achieving optimal speed, accuracy and quality.

As Asia Pacific is a market of great importance to Parexel and our clients, to ensure our clients have access to the best state of the art facilities, high quality talents, Parexel will continue to expand its network with Asia's top clinical research centers,

such as the Asian Medical Center and National Taiwan University Hospital as well as expand the Parexel Academy programs in the region.