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Report: Novartis, Panacea end 8-year-old vaccine JV

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Mumbai: An article in the Economic Times has revealed that Novartis' subsidiary Chiron has terminated its eight-year-long joint venture (JV) with India-based Panacea Biotec.

The alliance, which focused on the R&D and commercialization of paediatric vaccines for the Indian market, was established in 2004 between Panacea Biotec and Chiron. Novartis acquired Chiron for $7.5 billion during the year 2008. The JV sold a wide variety of vaccines including, those against polio, hepatitis B, anthrax, dengue fever, and pentavalent vaccines used in childhood immunization programmes.

The newspaper pointed out that Panacea needs to find another marketing partner for its vaccines business. Panacea was struggling in the wake of a World Health Organization (WHO) decision to remove it from the pre-qualified list of pentavalent vaccine suppliers during 2011.

Furthermore, regulatory authorities in India also seized more than 15,000 vials of pentavalent vaccine from Panacea earlier this year, after an investigation revealed that expiry dates on their labels had been falsified.

However, Panacea secured a 345 million doses polio vaccine order from the Indian government last December, worth $27 million. Panacea's non-vaccine business has also been picking up in recent times. The firm also forged two new collaborations for generic pharmaceutical products towards the end of 2012 with UCB subsidiary Kremers Urban Pharmaceuticals and Osmotica Pharmaceutical.