



## **Aurobindo Pharma Inks Marketing Deal With Pfizer For Finished Dosage Products**

3/4/2009 3:01 AM ET

(RTTNews) - Aurobindo Pharma Ltd., an integrated pharmaceutical company in India, has inked licensing and supply agreements for several solid dosage and sterile products with Pfizer Inc., a global leader in pharmaceuticals. Pfizer's deal with Aurobindo is its first in-licensing deal, where the US-based pharma giant takes on license, products from Aurobindo.

The Hyderabad-based company said the agreement allows access to Pfizer's newly formed Established Product Business Unit to exploit the sales potential for these post Loss of Exclusivity products through its global commercial presence.

The current agreements are targeted towards US and European markets and will continue to explore ways to further extend this partnership.

Aurobindo has a large manufacturing base approved by several Regulatory Authorities with strong product portfolio for the manufacture of post Loss of Exclusive products. The company said the partnership alliance is mutually beneficial.

As per agreement, Pfizer will take on license, an array of generic pills and injectible medicines, as it look to off-patent medicines for the growth, a senior executive reportedly said, adding that it is focusing on such off-patent medicines to increase profits. The company estimates that the deal with Aurobindo would boost its revenue by \$200 million until 2014.

Kelvin Cooper, Senior Vice President, Portfolio Development, Established Product Business Unit of Pfizer, said Aurobindo would manufacture the products and Pfizer would be responsible for marketing. He added that Pfizer consciously chose to in-license generic products that it did not develop in-house.

Pfizer's established products business unit was launched in 2008, as part of the company's initiative to create smaller, more accountable business units aligned with customer needs.

It is part of its generics subsidiary Greenstone, which currently has 300 products in its basket, including former blockbusters such as Zoloft for depression, Norvasc for high blood pressure, Zithromax for bacterial infections and Medrol for inflammatory and immune conditions, such as asthma, arthritis and lupus.

Commenting on the alliance, P.V. Ramprasad Reddy, Chairman of Aurobindo Pharma said, "It is an exciting opportunity for Aurobindo and provides for stability towards company's earnings and accelerate its growth plans. The current agreements are targeted towards US and European markets and will continue to explore ways to further extend this partnership."

David Simmons, President and General Manager of Pfizer Established Product Business Unit, said, "We initiated our partnership with a few products. The execution of these agreements will pave the way for further strengthening our partnership and will accelerate Pfizer's strategy for expanding our Established Products portfolio."

Meanwhile, Aurobindo Pharma said it has obtained ANDA approval for Escitalopram Oxalate tablets in the strengths of 5mg, 10mg and 20mg from the US FDA. It is indicated for treatment of depression associated with mood disorders. As per ISM data, it had a market size of around \$2.6 billion for the twelve months ended September 2008.

At the BSE, Aurobindo Pharma shares are currently trading at Rs.161.40, up by Rs.5.35 or 3.43% on a volume of 1.42 lakh shares.

by RTT Staff Writer

For comments and feedback: contact [editorial@rttnews.com](mailto:editorial@rttnews.com)

## Gerson Lehrman Group

March 3, 2009

Pfizer, Generics and Commoditization  
PrintEmail to a Friend  
Analysis of: Pfizer Expands Portfolio of Generic Medicines in the U.S. and Europe Through Licensing Agreements with Aurobindo ([www.pfizer.com](http://www.pfizer.com))

This analysis is solely the work of the author. It has not been edited or endorsed by GLG.

Author of this analysis

Contributed by a Member of the GLG Energy & Industrials Councils

Implications: Pfizer through its relationship with Aurobindo Pharmaceuticals in India is expanding its generic business. I believe it is going to be the new battle turf between the Big Ethical/brand Pharmaceutical companies. Competition to get a larger piece of the "generic drug market" pie would result in commoditization of drugs i.e. we could see drop in selling prices.

Analysis: Pfizer's "Established Products Portfolio" is a fancy name for its generics business. It is stealth way to admit that they are expanding in generics. ☺

With the big Pharmaceutical loosing their "cash cows i.e. blockbuster drugs" they have to revert to another source of income. Their salvation lies in either producing these generics themselves or acquiring them from India's generic mavericks by establishing relationships. They have opted to the later route.

In my earlier analysis I have indicated [Is "Creative Destruction" the way to go for the Pharmaceuticals?; Pharmaceutical Business Strategy; Pharmaceutical companies and their effort to improve profits; Is Pharma Consolidation on Horizon?] that the big pharmaceuticals have to serve the generic market.

We have seen Daiichi/Ranbaxy, Sanofi-Aventis/ Zentiva N.V. (Czech), GSK/UCB relationships. Sanofi-Aventis is rumored to be the frontrunner for Piramal (India). Cipla, Lupin, Dr. Reddy's, Sun Pharmaceuticals, Wockhardt and others could have similar relationships. It is just matter of time.

Competition to supply the generic is going to heat up as it is a quick way to retain profits.

People in the current economic downturn are curtailing their drug intake. This will add additional pressures on the drug producers and suppliers to lower their prices i.e. commoditization. This is one word no one wants to hear especially in the pharmaceuticals but could become a reality.

## **THE ECONOMIC TIMES**

### **Aurobindo surges 5% on bourses after deal with Pfizer**

4 Mar 2009, 1114 hrs IST, PTI

MUMBAI: Aurobindo pharma on Wednesday surged as much as five per cent on bourses, a day after the domestic drug maker entered into multiple agreements with US-based Pfizer to sell generic medicines in the US and Europe.

The agreement was part of expanding Pfizer's Established Products Business Units (EPBU), which is an arm of the multinational drug firm, which focuses on commercialisation of those drugs whose market exclusivity and patents have expired.

On the Bombay Stock Exchange, the scrip opened firm at Rs 161.90 and soon touched the day's high at Rs 164.90, up 5.67 per cent from its previous close.

On the National Stock Exchange, Aurobindo pharma opened at Rs 159.80 then went up 4.85 from its previous close to touch the day's high of Rs 164.

On the volume front good movement was witnessed as over 1.33 lakh shares exchanged hands on NSE and 33.63 thousand shares got traded on BSE.

Under the agreement, Pfizer has acquired the right to sell 39 generic solid oral dose products in the US and 20 in Europe coupled with additional 11 products in France, Pfizer had said in a statement.

The scrip was later trading at Rs 162.90, up 4.16 per cent on the NSE and was quoted at Rs 162.90, up 4.39 per cent on the BSE.

## **Pfizer expands agreement with Aurobindo to 44 drugs from 5**

Published on Wed, Mar 04, 2009 at 09:52 , Updated at Wed, Mar 04, 2009 at 11:12

Source : CNBC-TV18

Pfizer has expanded its agreement with Aurobindo to 44 drugs from five drugs. It has acquired rights to 39 generic drugs in the US and rights to 20 generic drugs in Europe and 11 in France. Vikas Dandekar of Pharmaasianews.com reports in detail.

Sandoz of Novartis is the only company that has taken a full fledged dip into the world of generics. Pfizer is also taking this unconventional method, and so far as Aurobindo is concerned, the biggest thing that will happen is that eight of its US-approved FDA facilities, which were lying underutilized for some time now, will get utilized and as Aurobindo Chairman has also mentioned, it will give them some amount of earnings ability.

Out of these 39 products, most of are beaten down generics but a few will be high revenue earners.

Kelvin Cooper of Pfizer said that a few of them are big-sized but they did not want to give details about specific products. But obviously, when Greenstone of Pfizer is becoming the front end for Aurobindo's product, it will definitely be a good reputation product and it will definitely have a better stint



## **Pfizer tilts to copycats with Aurobindo deal**

Submitted by Sahil Nagpal on Wed, 03/04/2009 - 03:29. Company News Pharmaceutical Sector  
Featured India News

Hyderabad-based drugmaker will license and supply 75 generic drugsthat address a \$200m market to Pfizer

After trying it out for almost a year, the world's biggest drug-maker Pfizer Inc, has decided to turn copycat in right earnest. And the \$50 billion giant will take the help of Hyderabad-based Aurobindo Pharma, an established copycat drug-maker, to make this happen.

The multinational will license 70 generic drugs and 12 sterile injectibles, including penicillins and cephalosporins, which according to industry watchers are valued at over \$200 million in sales, from Aurobindo for marketing in the US, and Europe.

That is good news for Aurobindo but may not leave much for Pfizer to smile about, say analysts.

Aurobindo's capacities, which have been lying idle for some time will be utilized, while it will also make some good money from upfront payments and royalties. But Pfizer will not make much money as the margins are extremely low in this business while its costs will go up manifold, said First Global analyst Kavita Thoma. Pfizer and Aurobindo entered into a similar agreement for five products in 2008. Now the same has been extended to 71 other drugs, 40 for the US and 20 for Europe in addition to 11 others for France apart from 12 sterile injectibles for these markets.

Aurobindo will manufacture these loss of exclusivity (LOE), products which will be marketed by Pfizer's newly formed established product business unit.

According to Pfizer, the global non-exclusive, or off-patent, drugs market represents a \$270 billion market current and has the potential of growing to \$500 billion over the next five years. Solid oral dose products represent the largest category within this.

According to an Aurobindo spokesperson, these drugs targeted at the cardiovascular and central nervous system disease will keep the company's production lines busy adding to considerable upsides this year.

However, he refused to divulge further financial details.

However, given that the pipelines of potential blockbuster drugs of most pharma majors are diminishing at a time when copycat drug-makers are eating away into their markets shares through patent challenges, Pfizer's logic in entering the highly competitive and uncertain generics market is quite understandable.

C Chitti Pantulu/ DNA-Daily News & Analysis Source: 3D Syndication



## **Pfizer, Sanofi acquire generics as pipelines shrink**

Posted on March 3, 2009 at 4:22 PM

The deal may not be quite as big, but Pfizer Inc. (NYSE:PFE) recognizes the importance of the generic drug market.

Following Sanofi-Aventis SA's \$1.9 billion acquisition of Czech drug maker Zentiva NV -- making it the world's No. 11 maker of generic medicines, -- Pfizer signed a deal with India's Aurobindo Pharma Ltd. to commercialize medicines that are no longer patent protected.

Pfizer acquired rights to 39 generic "solid oral dose products" in the U.S., 20 in Europe, plus 11 in France. The medicines will be commercialized in the U.S. through Pfizer's Greenstone subsidiary. Pfizer said in its announcement, the global non-exclusive market represents about \$270 billion with solid oral dose products representing the largest drug category.

Pfizer agreed to pay \$68 billion for Wyeth as its pipeline of new drugs is shrinking. Other pharma companies are facing the same problem. An AP article highlights a November deal where Japan's Daiichi Sankyo Co. bought a majority stake in Ranbaxy Laboratories Ltd., India's largest pharma company and one of the world's biggest generic makers, for \$4 billion.

And by December, Merck & Co. said it was launching a new division called Merck BioVentures to make both new and generic biotech drugs, and Eli Lilly and Co.'s chief executive said his company was considering delving into generic biotech drugs, too.

Pfizer has major competition in the generic market. Sanofi moved into the space in a big way with the Zentiva deal, and its chief wants more deals like that one. - Baz Hiralal



## **Pfizer, Aurobindo in deal to sell generic drugs**

Pfizer, India's Aurobindo in deal to license and sell dozens of generic prescription drugs

Linda A. Johnson, AP Business Writer

Tuesday March 3, 2009, 12:47 pm EST

Yahoo! Buzz Print TRENTON, N.J. (AP) -- Pfizer Inc. will begin selling dozens more generic drugs through new deals with an Indian generic company, becoming the latest brand-name drugmaker looking to expand in a generics market growing because of the push to cut medical costs and the recession.

Pfizer's Greenstone subsidiary already sells more than 300 Pfizer medicines that have lost patent protection but still brought in a combined \$10 billion last year. Those include former blockbusters Zoloft for depression, Norvasc for high blood pressure, Zithromax for bacterial infections and Medrol for inflammatory and immune conditions such as asthma, arthritis and lupus.

Now the established products unit at New York-based Pfizer, created as part of its reorganization last fall into more-focused business units, announced Tuesday that it has reached agreements with Aurobindo Pharma Ltd. to produce and sell competitors' drugs that have lost patent protection in the U.S. and Europe.

The deal includes 39 pills that will be sold in the U.S., 20 of which will also be sold across Europe, and 12 injectable antibiotic medicines. Pfizer will handle the marketing after licensing each product from Aurobindo, which will handle all the steps to get approval to make generic versions, as well as manufacture them.

In this country, the recession is boosting sales of generic drugs, which cost 30 percent to 80 percent less than the original brand-name ones. The number of prescriptions for generic drugs jumped 8 percent last year, and they now account for 68 percent of all prescriptions filled, according to the Generic Pharmaceutical Association.

Shares of Pfizer initially rose nearly 3 percent Tuesday morning before falling back with the rest of the market, to a midday level of \$11.79, up 13 cents.

Pfizer isn't disclosing the names of the competitors' drugs it will target, but said they are for conditions including heart disease and brain disorders such as Alzheimer's disease.

"We're targeting by 2013 to generate more than \$1 billion in incremental sales for the company through portfolio expansion," David Simmons, president and general manager of the established products unit, told the The Associated Press in an interview.

He said Pfizer also is considering how best to market all those off-patent drugs in emerging markets such as China, Russia and India.

At the same time, several brand-name drugmakers now are getting into generics through acquisitions, and others have done it by licensing rights to a generic company on a case-by-case basis, said analyst Les Funtleyder of Miller Tabak & Co.

"It's not a bad move" and fits into Pfizer's recent diversification strategy, said Funtleyder. "It actually behooves Pfizer to bolster its generic unit because generics are going to play a big role in health care reform."

More generic versions of the same drug lead to lower prices, a boon for consumers who already can get hundreds of popular generics for \$4 a month from several discount and grocery chains, but that limits drugmakers' profit on them.

Swiss drugmaker Novartis AG has sold generics for years through its Sandoz unit.

Last week, French drug giant Sanofi-Aventis SA completed its \$2.3 billion acquisition of Czech pharmaceutical firm Zentiva N.V., which makes and sells generic drugs in Central and Eastern Europe. Sanofi also is reportedly the frontrunner, ahead of Britain's GlaxoSmithKline PLC, in a bidding war for Indian generic company Piramal Healthcare Ltd.

Last November, Japan's Daiichi Sankyo Co. bought a majority stake in Ranbaxy Laboratories Ltd., India's largest pharmaceutical company and one of the world's biggest generic makers, for \$4 billion.

Meanwhile, there's a similar trend in the market for biotech drugs, which are made in living cells and until now have had no generic versions allowed in the U.S. Once President Obama was elected in November, drugmakers began expecting that new rules to enable approval for generic biotech drugs would follow.

By December, Merck & Co. said it was launching a new division called Merck BioVentures to make both new and generic biotech drugs, and Eli Lilly and Co.'s chief executive said his company was considering delving into generic biotech drugs, too.

Simmons, the Pfizer executive, noted that the market for off-patent prescription drugs is now about \$270 billion but is expected to nearly double to more than \$500 billion in the next five years.

Pfizer wants part of that growth. It made its first deal with Aurobindo, one of the world's biggest generic drugmakers, last July, to bring four other drugs to the U.S. market, including the widely used antibiotic amoxicillin.

Last year, Medrol, anti-anxiety drug Xanax, injectable contraceptive Depo-Provera and two other medicines marketed by the Greenstone subsidiary got beefed-up marketing and other extra attention to see whether their generally steady decline in annual revenue could be stopped. Three with decreasing sales had sales jumps last year, one with flat sales in 2007 saw 6 percent growth last year and one saw a small sales increase from 2007 nearly double.

(This version CORRECTS second-to-last paragraph to say deal included four other drugs, not five.)

# The Telegraph

calcutta, india

## **Pfizer, Aurobindo in pact**

OUR SPECIAL CORRESPONDENT

Mumbai, March 3: Pfizer Inc will source generic drugs from Hyderabad-based Aurobindo Pharma for sale in the US and Europe.

Under multiple agreements which were announced today, Pfizer will sell 39 generics in the US, 20 in Europe and an additional 11 in France. Therapeutic uses of the drugs range from fighting

cardiovascular diseases to treating central nervous system disorders. The financial terms of the deals were not disclosed.

Pfizer — known for its patented drugs — is also concentrating on generics as competition from them is hurting its mainline products.

Other multinationals are also focusing on generics. Recently, France's Sanofi-Aventis acquired Czech firm Zentive which is into generics while last year, Japan's Daiichi acquired India's Ranbaxy.

Pfizer said the deal was part of its initiative to expand its established products business unit, started last year.

"We will dramatically change Pfizer's established product portfolio to an engine of positive growth. These agreements represent solid, measurable progress, and a strong commitment to achieve our growth objectives," said David Simmons, president and general manager of Pfizer's established products business unit.

According to Pfizer, the global market for generic drugs in the non-exclusive category is worth around \$270 billion, with solid oral drugs forming the largest category. Over the next five years, the market may be over \$500 billion.

"Going forward, Pfizer plans to expand the established products business unit's portfolio through additional activities with Aurobindo and other companies to provide our customers with a wider product offering," Simmons said.

On the BSE, the shares of Aurobindo Pharma ended at Rs 157.50, up 7 per cent.



## **Pfizer Eyes Generic Growth**

By Brian Orelli  
March 3, 2009

Looks like Pfizer (NYSE: PFE) isn't content to sit and wait for the revenue boost that Wyeth (NYSE: WYE) will provide once Pfizer swallows it up: The giant drugmaker announced two partnerships to boost the top line today.

Pfizer is teaming up with eye-care specialist Bausch & Lomb to promote both companies' prescription eye drugs. A joint sales force will promote Pfizer's glaucoma drug Xalatan and three of Bausch & Lomb's products -- conjunctivitis treatment Alex, Lotemax for inflammatory conditions, and Zylet, which treats inflammation and infections. The deal will also include Bausch & Lomb's anti-infective eye drop besifloxacin, if it gets past the Food and Drug Administration.

Pfizer didn't say how the deal was structured financially, but the agreement seems to make sense for Pfizer. The more drugs that sales reps can sell to a doctor, the more effective the company will be, and the additional sales force should help Pfizer compete against Allergan (NYSE: AGN) and Alcon (NYSE: ACL) in the highly competitive glaucoma space.

The second deal is more of an if-you-can't-beat-them-join-them partnership. If my count is correct, the company is licensing 70 generic products and 12 antibiotics from India's Aurobindo Pharma. I've been skeptical about Pfizer's plan to move further into low-margin generic drugs, but this move doesn't seem that bad.

By licensing the drugs, Pfizer gets to use the distribution channels it already has set up through its subsidiary, Greenstone, which sells generic versions of Pfizer's drugs once they go off patent. But it avoids setting up a massive research and development operation that would be required to compete well against larger players like Novartis (NYSE: NVS) and Teva Pharmaceutical (Nasdaq: TEVA).

Pfizer's stock has taken a beating since the company announced that it was buying Wyeth earlier this year. While I'm not ready to jump on the dividends-will-save-you train with Pfizer, it is looking a little more attractive at this lower price, and moves like these have proven that management isn't a complete bunch of numbskulls.



### **Pfizer (PFE) NewsBite - PFE Jumps on Aurobindo Deal**

Posted on Tuesday, March 03, 2009 9:56 AM

Pfizer (NYSE: PFE) opened at \$11.84. So far today, the stock has hit a low of \$11.78 and a high of \$12.07. PFE is now trading at \$12.06, up \$0.40 (3.43%). Over the last 52 weeks the stock has ranged from a low of \$11.62 to a high of \$22.44. Shares of PFE are rising today after the company said it has reached a deal with Indian generic drug maker Aurobindo to license and sell dozens of generic drugs in the U.S. and Europe. This could be a good sign for PFE, who has been rapidly expanding its generic portfolio to counteract medicines that have lost patent protection. Technical indicators for the stock are neutral and S&P gives PFE a neutral 3 STARS (out of 5) hold ranking. If you are looking for a hedged play on PFE the stock seems like it could be a candidate for a June out-of-the-money bull-put credit spread below the 10 range. [ABR-Seven Summits Strategic Investments NewsBite]



## **Aurobindo Pharma rallies on overseas tie-up**

India Infoline News Service / Mumbai Mar 03, 2009 14:27

At 14:27pm (IST), Shares of Aurobindo Pharma have rallied by over 10% to Rs161.

Shares of Aurobindo Pharma have rallied by over 10% to Rs161 after Pfizer announced that it tied up with the company to commercialize medicines that are no longer patent protected, and have lost market exclusivity in the United States and Europe, further progressing its Established Products Business Unit strategy.

The scrip has touched an intra-day high of Rs163 and a low of Rs141 and has recorded volumes of over 0.3mn shares on NSE.

# **Business Standard**

## **Pfizer to license 50 generics from Aurobindo**

BS Reporter / New York March 04, 2009, 0:07 IST

Pfizer Inc has agreed to license an array of generic pills and injectable medicines from India's Aurobindo Pharma Ltd, as the world's largest drugmaker looks to off-patent medicines for growth.

In the deal announced on Tuesday, Pfizer said it expected the products acquired to deliver more than \$200 million in annual revenue in 2013, according to David Simmons, general manager of Pfizer's established products business unit.

The products expand Pfizer's growing generics portfolio and are versions of drugs originally made by companies other than Pfizer. Financial terms of the deal were not disclosed.

Pfizer is focusing on off-patent medicines as one avenue to spur profits, as the drugmaker encounters generic competition that threatens revenue of its own top sellers. Pfizer's current roster of drugs that have lost patent protection amounts to \$10 billion in annual sales.

"We're committed to dramatically changing our established products portfolio from a significantly shrinking segment of the business to an engine of positive growth," Simmons said in an interview.

Simmons previously told Reuters that Pfizer was seeking licensing arrangements to expand the generics business. The company expects more deals this year, he said.

In the Aurobindo deal, Pfizer will gain rights to 38 pills in the US and 20 in Europe, plus another 11 in France.

Pfizer declined to name the medicines, saying they covered a broad range of therapy areas, including cardiovascular disease and central nervous system disorders.

In the US, the pills will be sold through Pfizer's Greenstone unit, which currently sells about 60-80 generics.

New York-based Pfizer also acquired US and European rights to 12 injectable antibiotics, including penicillin and cephalosporins.

Pfizer, which sells 18 injectable drugs in the US, has prioritised making licensing deals to expand its injectables business, in which it believes there are relatively few rivals and maintains it has a competitive cost structure. Simmons previously said he wants a US portfolio of 100 injectable drugs in about five years.

The agreement expands on a five-product deal for the US entered into in July 2008 with Aurobindo, with which Pfizer first worked in 2006 through its animal health division, Simmons said.

"Going forward, we plan to expand our product portfolio through additional activities with Aurobindo and other companies as well," Simmons said.

Simmons said the deal involved strict quality controls, including allowing Pfizer to have its employees in the Aurobindo plant during production runs for Pfizer.

Pfizer's decision to put its weight behind the quality credentials of Aurobindo is significant, as the FDA, the US drug regulator, had recently accused India's largest drug maker, Ranbaxy, of falsifying technical data to obtain marketing approvals for medicines from one of its Indian facilities.

"We're focused on making sure any medicine that gets sold with the Pfizer brand name on it is held to the same quality standards as our original branded products," he said.

Some analysts question if generics fit well with pharmaceutical companies that specialise in brand-name drugs, partly because they are viewed as a lower-margin commodity business. But Simmons said the profit margins from the deal and future agreements would meet Pfizer's standards.

"We're not deteriorating Pfizer's margin standards because we're going into the off-patent market," he said.

The sourcing agreement will ensure steady revenue flow, as it assures high volume business for Aurobindo. The product range covers central nervous system drugs to penicillin injectables. While 44 of these were meant for oral consumption, 12 were injectables, sources said.

Aurobindo is among the leading Indian firms when it comes to market approvals from the USFDA. The company has filed 145 drug approval applications in the US and got marketing approvals (including tentative approvals) for over 90 medicines.

## NASDAQ

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For comments and feedback: contact [editorial@rttnews.com](mailto:editorial@rttnews.com)

## THE HINDU Business Line

### **Aurobindo surges 5% on Pfizer deal**

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Under the agreement, Pfizer has acquired the right to sell 39 generic solid oral dose products in the US and 20 in Europe coupled with additional 11 products in France, Pfizer had said in a statement.  
– PTI



### **Aurobindo to sell Pfizer drugs in US, Europe**

fe Bureau

Posted: 2009-03-04 23:49:25+05:30 IST

Updated: Mar 04, 2009 at 2349 hrs IST

Hyderabad: Aurobindo Pharma has expanded its partnership further by executing licensing and supply agreements for several solid dosage and sterile products with Pfizer Inc. The agreement allows access to Pfizer's newly-formed established product business unit to exploit the sales potential for these post loss of exclusivity (LOE) products through its global commercial presence. Aurobindo has a large manufacturing base approved by several regulatory authorities with strong product portfolio for the manufacture of post LOE products.

The partnership alliance is mutually beneficial, said a release. "We initiated our partnership with a few products. The execution of these agreements will pave the way for further strengthening our partnership and will accelerate Pfizer's strategy for expanding our established products portfolio," said David Simmons, president and general manager, Pfizer established product business unit (EPBU).

"We look forward to working with Aurobindo and are delighted that they are able to contribute towards our strategy both on solids, steriles and product reformulations," said Kelvin Cooper, senior vice-president, portfolio devolvement, EPBU.

Commenting on the alliance, PV Ramprasad Reddy, chairman, Aurobindo Pharma said the current agreements are targeted towards the US and European markets and will continue to explore ways to further extend this partnership. Aurobindo Pharma Ltd manufactures generic pharmaceuticals and active pharmaceutical ingredients. The company's manufacturing facilities are approved by several leading regulatory agencies like US FDA, UK MHRA, WHO, Health Canada, MCC South Africa, ANVISA Brazil. The company's robust product portfolio is spread over six major therapeutic/product areas encompassing antibiotics, anti-retrovirals, CVS, CNS, gastroenterologicals, and anti-allergics, supported by an outstanding R&D set-up.

**PHARMABIZ.com**  
india's most comprehensive pharma portal

### **Pfizer expands generic portfolio through licensing with Aurobindo Pharma**

Tuesday, March 03, 2009 15:30 IST

Our Bureau, Mumbai

Pfizer Inc has entered into a series of agreements with Aurobindo Pharma Ltd, a pharmaceutical company based in India, to commercialize medicines that are no longer patent protected, and have lost market exclusivity in the United States and Europe, further progressing its Established Products Business Unit (EPBU) strategy. These agreements are an expansion of a five-product US deal Pfizer and Aurobindo entered into in July 2008. Together, the two transactions bring 44 solid oral dose products to Pfizer's diversified existing portfolio of established brands in the US.

David Simmons, president & general manager of Pfizer's EPBU, said, "Established Products has the benefit of Pfizer's strong brand recognition, track record of proven efficacy and safety, broad and deep commercial infrastructure around the world and a powerful portfolio. Going forward, Pfizer plans to expand the EPBU's product portfolio through additional activities with Aurobindo and other companies to provide our customers with a wider product offering,"

Pfizer's EPBU, focused on the commercialization of products where market exclusivity has been lost, was launched in 2008 as part of the company's initiative to create smaller, more accountable business units aligned with customer needs. Currently, Pfizer's EPBU has annual sales of \$10 billion globally.

Under the terms of the agreements, Pfizer has acquired rights to 39 generic solid oral dose products in the US and 20 in Europe, plus an additional 11 in France. These medicines cover a broad range of therapeutic areas including cardiovascular disease and central nervous system disorders, and will be commercialized in the U.S. through Pfizer's Greenstone subsidiary.

Pfizer has also acquired rights to 12 sterile injectable products in the United States and Europe. These medicines are antibiotics including penicillins and cephalosporins.

"We will dramatically change Pfizer's Established Products portfolio to an engine of positive growth. These agreements represent solid, measurable progress, and a strong commitment to achieve our growth objectives," said Simmons.

The global non-exclusive market represents about \$270 billion with solid oral dose products representing the largest drug category. This category is anticipated to continue its rapid increase in market share and has an estimated growth potential of over \$500 billion within the next five years.

## **Centredaily.com**

### **Pfizer Expands Portfolio of Generic Medicines in the U.S. and Europe Through Licensing Agreements with Aurobindo**

Deals Broaden Pfizer's Established Products Portfolio to Deliver Affordable Quality Off Patent Medicines to Patients

NEW YORK —

Pfizer Inc (NYSE: PFE) announced today that it has entered into a series of agreements with Aurobindo Pharma Ltd., a pharmaceutical company based in India, to commercialize medicines that are no longer patent protected, and have lost market exclusivity in the United States and Europe, further progressing its Established Products Business Unit strategy. Pfizer's Established Products Business Unit, focused on the commercialization of products where market exclusivity has been lost, was launched in 2008 as part of the Company's initiative to create smaller, more accountable business units aligned with customer needs. Currently, Pfizer's Established Products Business Unit has annual sales of \$10 billion globally.

Under the terms of the agreements, Pfizer has acquired rights to 39 generic solid oral dose products in the United States and 20 in Europe, plus an additional 11 in France. These medicines cover a broad range of therapeutic areas including cardiovascular disease and Central Nervous System disorders, and will be commercialized in the U.S. through Pfizer's Greenstone subsidiary.

Pfizer has also acquired rights to 12 sterile injectable products in the United States and Europe. These medicines are antibiotics including penicillins and cephalosporins.

"We will dramatically change Pfizer's Established Products portfolio to an engine of positive growth. These agreements represent solid, measurable progress, and a strong commitment to achieve our growth objectives," said David Simmons, president & general manager of Pfizer's Established Products Business Unit.

The global non-exclusive market represents about \$270 billion with solid oral dose products representing the largest drug category. This category is anticipated to continue its rapid increase in market share and has an estimated growth potential of over \$500 billion within the next five years.

“Established Products has the benefit of Pfizer’s strong brand recognition, track record of proven efficacy and safety, broad and deep commercial infrastructure around the world and a powerful portfolio. Going forward, Pfizer plans to expand the Established Products Business Unit’s product portfolio through additional activities with Aurobindo and other companies to provide our customers with a wider product offering,” said Mr. Simmons.

AdvertisementThese agreements are an expansion of a five-product U.S. deal Pfizer and Aurobindo entered into in July 2008. Together, the two transactions bring 44 solid oral dose products to Pfizer’s diversified existing portfolio of established brands in the U.S.

Financial terms were not disclosed.

#### About Pfizer

Pfizer Inc., founded in 1849, is dedicated to better health and greater access to health care for people and their valued animals. Every day, colleagues in more than 150 countries work to discover, develop, manufacture and deliver quality, safe and effective prescription medicines to patients.

#### About Aurobindo

Aurobindo, founded in 1986, is a leading generic pharmaceutical company serving consumers in more than 100 countries.



#### **Pfizer to license generics from India's Aurobindo**

Reuters - Wednesday, March 4By Lewis Krauskopf

NEW YORK, March 3 - Pfizer Inc <PFE.N> has agreed to license an array of generic pills and injectable medicines from India's Aurobindo Pharma Ltd <ARBN.BO> as the world's largest drugmaker looks to off-patent medicines for growth.

In the deal announced on Tuesday, Pfizer said it expectedthe products acquired to deliver more than \$200 million in annual revenue in 2013, according to David Simmons, general manager of Pfizer's established products business unit.

The products expand Pfizer's growing generics portfolio and are versions of drugs originally made by companies other than Pfizer. Financial terms of the deal were not disclosed.

Pfizer is focusing on off-patent medicines as one avenue to spur profits as the drugmaker encounters generic competition that threatens revenue of its own top sellers. Pfizer's current roster drugs that have lost patent protection amounts to \$10 billion in annual sales.

"We're committed to dramatically changing our established products portfolio from a significantly shrinking segment of the business to an engine of positive growth," Simmons said in an interview.

Simmons previously told Reuters that Pfizer was seeking licensing arrangements to expand the generics business. The company expects more deals this year, he said.

In the Aurobindo deal, Pfizer will gain rights to 38 pills in the United States and 20 in Europe as well as an additional 11 in France. Pfizer declined to name the medicines, saying they covered a broad range of therapy areas including cardiovascular disease and central nervous system disorders.

In the United States, the pills will be sold through Pfizer's Greenstone unit, which currently sells about 60-80 generics.

New York-based Pfizer also acquired U.S. and European rights to 12 injectable antibiotics, including penicillins and cephalosporins.

Pfizer, which has had about 18 injectable drugs in the United States, has prioritized making licensing deals to expand its injectables business, in which it believes there are relatively few rivals and maintains it has a competitive cost structure. Simmons previously said he wants a U.S. portfolio of 100 injectable drugs perhaps in five years.

The agreement expands on a five-product U.S. deal entered into in July 2008 with Aurobindo, with which Pfizer first worked in 2006 through its animal health division, Simmons said.

"Going forward, we plan to expand our product portfolio through additional activities with Aurobindo and other companies as well," Simmons said.

Simmons said the deal involved strict quality controls, including allowing Pfizer to have its employees in the Aurobindo plant during production runs for Pfizer.

"We're focused on making sure any medicine that gets sold with the Pfizer brand name on it is held to the same quality standards as our original branded products," he said.

Some analysts question whether generics fit well with pharmaceutical companies that specialize in brand-name drugs, partly because they are viewed as a lower-margin commodity business. But Simmons said the profit margins from the deal and future agreements would meet Pfizer's standards.

"We're not deteriorating Pfizer's margin standards because we're going into the off-patent market," he said.

## **Aurobindo, Pfizer Sign Generic Drug Deal**

By Linda A. Johnson, AP Business Writer

Manufacturing.Net - March 03, 2009

TRENTON, N.J. (AP) -- Pfizer Inc. will begin selling dozens more generic drugs through new deals with an Indian generic company, becoming the latest brand-name drugmaker looking to expand in a generics market growing because of the push to cut medical costs and the recession.

Pfizer's Greenstone subsidiary already sells more than 300 Pfizer medicines that have lost patent protection but still brought in a combined \$10 billion last year. Those include former blockbusters Zoloff for depression, Norvasc for high blood pressure, Zithromax for bacterial infections and Medrol for inflammatory and immune conditions such as asthma, arthritis and lupus.

Now the established products unit at New York-based Pfizer, created as part of its reorganization last fall into more-focused business units, announced Tuesday that it has reached agreements with Aurobindo Pharma Ltd. to produce and sell competitors' drugs that have lost patent protection in the U.S. and Europe.

The deal includes 39 pills that will be sold in the U.S., 20 of which will also be sold across Europe, and 12 injectable antibiotic medicines. Pfizer will handle the marketing after licensing each product from Aurobindo, which will handle all the steps to get approval to make generic versions, as well as manufacture them.

In this country, the recession is boosting sales of generic drugs, which cost 30 percent to 80 percent less than the original brand-name ones. The number of prescriptions for generic drugs jumped 8 percent last year, and they now account for 68 percent of all prescriptions filled, according to the Generic Pharmaceutical Association.

Shares of Pfizer initially rose nearly 3 percent Tuesday morning before falling back with the rest of the market, to a midday level of \$11.79, up 13 cents.

Pfizer isn't disclosing the names of the competitors' drugs it will target, but said they are for conditions including heart disease and brain disorders such as Alzheimer's disease.

"We're targeting by 2013 to generate more than \$1 billion in incremental sales for the company through portfolio expansion," David Simmons, president and general manager of the established products unit, told The Associated Press in an interview.

He said Pfizer also is considering how best to market all those off-patent drugs in emerging markets such as China, Russia and India.

At the same time, several brand-name drugmakers now are getting into generics through acquisitions, and others have done it by licensing rights to a generic company on a case-by-case basis, said analyst Les Funtleyder of Miller Tabak & Co.

"It's not a bad move" and fits into Pfizer's recent diversification strategy, said Funtleyder. "It actually behooves Pfizer to bolster its generic unit because generics are going to play a big role in health care reform."

More generic versions of the same drug lead to lower prices, a boon for consumers who already can get hundreds of popular generics for \$4 a month from several discount and grocery chains, but that limits drugmakers' profit on them.

Swiss drugmaker Novartis AG has sold generics for years through its Sandoz unit.

Last week, French drug giant Sanofi-Aventis SA completed its \$2.3 billion acquisition of Czech pharmaceutical firm Zentiva N.V., which makes and sells generic drugs in Central and Eastern Europe. Sanofi also is reportedly the frontrunner, ahead of Britain's GlaxoSmithKline PLC, in a bidding war for Indian generic company Piramal Healthcare Ltd.

Last November, Japan's Daiichi Sankyo Co. bought a majority stake in Ranbaxy Laboratories Ltd., India's largest pharmaceutical company and one of the world's biggest generic makers, for \$4 billion.

Meanwhile, there's a similar trend in the market for biotech drugs, which are made in living cells and until now have had no generic versions allowed in the U.S. Once President Obama was elected in November, drugmakers began expecting that new rules to enable approval for generic biotech drugs would follow.

By December, Merck & Co. said it was launching a new division called Merck BioVentures to make both new and generic biotech drugs, and Eli Lilly and Co.'s chief executive said his company was considering delving into generic biotech drugs, too.

Simmons, the Pfizer executive, noted that the market for off-patent prescription drugs is now about \$270 billion but is expected to nearly double to more than \$500 billion in the next five years.

Pfizer wants part of that growth. It made its first deal with Aurobindo, one of the world's biggest generic drugmakers, last July, to bring four other drugs to the U.S. market, including the widely used antibiotic amoxicillin.

Last year, Medrol, anti-anxiety drug Xanax, injectable contraceptive Depo-Provera and two other medicines marketed by the Greenstone subsidiary got beefed-up marketing and other extra attention to see whether their generally steady decline in annual revenue could be stopped. Three with decreasing sales had sales jumps last year, one with flat sales in 2007 saw 6 percent growth last year and one saw a small sales increase from 2007 nearly double.

## The Malaysian Insider

### **Pfizer, Aurobindo in deal to sell generic drugs**

TRENTON, March 3 — Pfizer Inc. will begin selling dozens more generic drugs in the US and Europe through new deals with an Indian generic company, part of a recent trend of brand-name drugmakers expanding in a growing generics market.

Pfizer's Greenstone subsidiary already sells more than 300 Pfizer medicines that have lost patent protection but still brought in a combined US\$10 billion (RM37 billion) last year. Those include former blockbusters Zoloff for depression, Norvasc for high blood pressure, Zithromax for bacterial infections and Medrol for inflammatory and immune conditions such as asthma, arthritis and lupus.

Now the established products unit at New York-based Pfizer, created as part of its reorganisation last fall into more-focused business units, will announce today that it has reached agreements with Aurobindo Pharma Ltd. to produce and sell drugs that have lost patent protection in the United States and Europe.

The deal includes 39 pills that will be sold in the US, 20 of which will also be sold across Europe, and 12 injectable medicines such as antibiotics. Pfizer will handle the marketing after licensing each product from Aurobindo, which will handle all the steps to get approval to make generic versions, as well as manufacture them.

"We're targeting by 2013 to generate more than \$1 billion in incremental sales for the company through portfolio expansion," David Simmons, president and general manager of the established products unit, told the The Associated Press in an interview.

He said Pfizer also is considering how best to market all those off-patent drugs in emerging markets such as China, Russia and India.

Suddenly, several brand-name drugmakers are getting into generics through acquisitions, and others have done it by licensing rights to a generic company on a case-by-case basis, said analyst Les Funtleyder of Miller Tabak & Co.

"It's not a bad move" and fits into Pfizer's recent diversification strategy, said Funtleyder. "It actually behooves Pfizer to bolster its generic unit because generics are going to play a big role in health care reform."

President Obama has said he favours greater use of generic drugs, which can cost 30 per cent to 80 per cent less than equivalent brand-name medicines and already account for about two-thirds of all prescriptions sold in the United States.

Swiss drugmaker Novartis AG has sold generics for years through its Sandoz unit.

Last week, French drug giant Sanofi-Aventis SA completed its \$2.3 billion acquisition of Czech pharmaceutical firm Zentiva N.V., which makes and sells generic drugs in Central and Eastern

Europe. Sanofi also is reportedly the frontrunner, ahead of Britain's GlaxoSmithKline PLC, in a bidding war for Indian generic company Piramal Healthcare Ltd.

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Meanwhile, there's a similar trend in the market for biotech drugs, which are made in living cells and until now have had no generic versions allowed in the US. Once Obama was elected in November, drugmakers began expecting that new rules to enable approval for generic biotech drugs would follow.

By December, Merck & Co. said it was launching a new division called Merck BioVentures to make both new and generic biotech drugs, and Eli Lilly and Co.'s chief executive said his company was considering delving into generic biotech drugs, too.

Simmons, the Pfizer executive, noted that the market for off-patent prescription drugs is now about \$270 billion but is expected to nearly double to more than \$500 billion in the next five years.

Pfizer wants part of that growth. It made its first deal with Aurobindo, one of the world's biggest generic drugmakers, last July, to bring five other drugs to the US market, including the widely used antibiotic amoxicillin.

Last year, Medrol, anti-anxiety drug Xanax, injectable contraceptive Depo-Provera and two other medicines marketed by the Greenstone subsidiary got beefed-up marketing and other extra attention to see whether their generally steady decline in annual revenue could be stopped. Three with decreasing sales had sales jumps last year, one with flat sales in 2007 saw 6 per cent growth last year and one saw a small sales increase from 2007 nearly double. — AP

## TheStreet.com

Pfizer Expands Generics Portfolio  
03/03/09 - 04:28 AM EST

, PFE Joseph Woelfel

Pfizer(PFE Quote - Cramer on PFE - Stock Picks) entered into a series of agreements with pharmaceutical company Aurobindo Pharma of India to commercialize medicines that are no longer patent protected and have lost market exclusivity in the U.S. and Europe.

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oral dose products in the U.S. and 20 in Europe. The medicines cover a broad range of therapeutic areas including cardiovascular disease and central nervous system disorders.

The medicines will be commercialized in the U.S. through its Greenstone subsidiary, Pfizer said in a press release Tuesday.

The deal also includes Pfizer acquiring the rights to 12 sterile injectable products, including antibiotics, in the U.S. and Europe.

The drugmaker said the agreements are an expansion of a five-product U.S. deal it and Aurobindo began in July 2008. The two deals together bring 44 solid oral dose products to Pfizer's portfolio in the U.S.

Pfizer's Greenstone subsidiary already sells more than 300 Pfizer medicines that have lost patent protection but still brought in a combined \$10 billion last year. Those include former blockbusters Zoloft for depression, Norvasc for high blood pressure, Zithromax for bacterial infections and Medrol for inflammatory and immune conditions such as asthma, arthritis and lupus.

"We're targeting by 2013 to generate more than \$1 billion in incremental sales for the company through portfolio expansion," David Simmons, president and general manager of Pfizer's established products unit, told the Associated Press in an interview.

He said Pfizer also is considering how best to market off-patent drugs in emerging markets such as China, Russia and India. Simmons noted that the market for off-patent prescription drugs is now about \$270 billion but is expected to nearly double to more than \$500 billion in the next five years.



### **Pfizer in Deal to Sell More Generic Drugs**

Published: Tuesday, March 3, 2009 at 11:40 p.m.

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Pfizer Inc. will begin selling dozens more generic drugs through new deals with Indian generic company Aurobindo Pharma Inc. The companies will produce and sell competitors' drugs that have lost patent protection in the U.S. and Europe. The deal includes 39 pills that will be sold in the U.S., 20 of which will also be sold across Europe, and 12 injectable antibiotic medicines. Shares of Pfizer closed at \$11.87, up 21 cents. Pfizer isn't disclosing the names of the drugs it will target, but they are for heart disease and brain disorders.



## **Pfizer Expands Its Generics Footprint**

Aurobindo agreement allows company to further diversify

By Lee Howard    Published on 3/4/2009

Pfizer Inc., expanding its diversification efforts, announced Tuesday an agreement with an Indian company to add dozens of generic medicines to its list of more than 300 off-patent drugs it continues to sell.

The agreement with Aurobindo Pharma Ltd. will allow New York-based Pfizer - whose world research-and-development headquarters are in New London - to market 39 pills and 12 injectable medicines that the Indian firm will manufacture. The drugs target a wide range of maladies, including heart disease and infections.

"We're targeting by 2013 to generate more than \$1 billion in incremental sales for the company through portfolio expansion," said David Simmons, president and general manager of Pfizer's established products unit, in an interview with The Associated Press.

Already, the company sells about \$10 billion in off-patent Pfizer drugs worldwide. The worldwide generic medicines market is estimated to account for about \$270 billion in annual sales - a number expected to nearly double in the next five years when a host of blockbuster drugs, including Pfizer's cholesterol pill Lipitor, go off patent.

Les Funtleyder, a healthcare analyst for Miller Tabak & Co. in New York City, said in a report Tuesday that Pfizer's licensing of new generic medicines is a good step, but "this move alone is clearly not enough to move the needle for Pfizer .... (which) if it continues to string together smart strategic moves ... will eventually start to turn around."

Pfizer's stock has plunged more than 30 percent since it announced a deal to buy Wyeth Pharmaceuticals for an initial \$68 billion - a buyout that is now worth billions less as the world's No. 1 drugmaker has dropped below \$12 a share for the first time in more than a dozen years. The Wyeth deal came together with the understanding that the sale would be partially funded through the issuance of Pfizer stock.

Pfizer's move into generics comes a few months after a major reorganization of the company into separate business units designed to focus on various aspects of the pharmaceutical market. Pfizer's Greenstone unit already sells a variety of the company's former blockbusters that retain a significant share of the market even after going off patent - medicines such as Zoloft for depression and Zithromax for bacterial infections.

"We will dramatically change Pfizer's established products portfolio to an engine of positive growth," Simmons said in a statement. "Pfizer plans to expand the established products business unit's product portfolio through additional activities with Aurobindo and other companies."

Pfizer and Aurobindo had previously entered into an agreement last year to distribute five generic products in the United States.

In addition to generics, Pfizer has announced plans to enter several new areas as a way of diversifying its business. The Wyeth deal, for instance, would give Pfizer a foothold in so-called biotech drugs, made from living cells, as well as dramatically expanding its capabilities in the area of vaccines and allowing the company to re-enter the consumer-products market just a few years after it sold its own consumer division to Johnson & Johnson.

Pfizer's expansion into generics came on the same day that it announced a new five-year agreement with Bausch & Lomb, which allows both companies to co-promote various eye products. The agreement gives Pfizer the ability to market Bausch & Lomb's new anti-infective eye drop besifloxacin, which is still subject to approval by the Food and Drug Administration.

Other eye medicines that will be co-promoted are Pfizer's Xalatan and Bausch & Lomb's Alrex, Lotemax and Zylet.



### **Pfizer Gains 39 Generic Therapies from Aurobindo**

#### GEN News Highlights

To offset the loss of market exclusivity for its lead product, Lipitor, Pfizer has obtained a slew of generic drugs from Aurobindo Pharma for marketing in the U.S. and Europe. The medications will become a part of the firm's established products business unit, which last year had sales of \$10 billion, about as much as Lipitor makes on its own.

Pfizer acquired rights to 39 generic solid oral-dose products for sale in the U.S.; 20 of those will be sold in Europe and 11 specifically in France. These medicines cover a range of therapeutic areas including cardiovascular disease and central nervous system disorders. Pfizer also gained 12 sterile injectable products in the U.S. and Europe. These are antibiotics including penicillins and cephalosporins.

The established products segment was launched in 2008 as a strategy to create smaller, more accountable business units. "Established products has the benefit of Pfizer's strong brand recognition, track record of proven efficacy and safety, broad and deep commercial infrastructure

around the world, and a powerful portfolio,” explains David Simmons, president and GM, established products business unit.

“Going forward, Pfizer plans to expand the established products business unit’s product portfolio through additional activities with Aurobindo and other companies to provide our customers with a wider product offering.”

These agreements with Aurobindo are an expansion of a five-product U.S. deal entered into in July 2008. Together, the two transactions bring 44 solid oral-dose products to Pfizer’s diversified existing portfolio of established brands in the U.S.