

## 14. GlaxoSmithKline

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#### Rank 14

##### Distinction in Pneumococcal vaccines

In 2012-13, GSK is estimated to have recorded `312 crore in revenues from its vaccines business. Earlier, the company had limited presence in many important therapeutic areas such as life saving cancer drugs, cardiology and preventive vaccines. However over the past few years GSK took a number of strategic steps such as increasing the field force to correct this.

Synflorix, a 10-valent pneumococcal vaccine, was introduced recently and achieved a landmark distinction of being the first brand in the Indian pharmaceutical industry to achieve a high level of success in the first year of launch. The other important vaccines which continue to receive increasing support from the physician community were Cervarix and Rotarix.

Another important development in 2013 has been the joint venture between GSK and Biological E. This is a 50:50 joint venture (JV) for the early stage research and development of a six-in-one combination pediatric vaccine to help protect children in India and other developing countries from polio and other infectious diseases. If approved, the vaccine, which would combine GSK's injectable polio vaccine (IPV) and Biological E's pentavalent vaccine for diphtheria, tetanus, whooping cough (whole cell pertussis), hepatitis B, and Haemophilus influenza type b, and hence could be the first of its kind. The vaccine would enable fewer injections for children thereby improving compliance in immunization schedules. Also, the fully liquid formulation of the vaccine would be ready to use with no additional ingredients or materials required, freeing up space at local storage facilities.

The JV will bear the development costs for the candidate vaccine, which is expected to enter phase 1 development in the next two years. A small initial cash investment will be made by both companies to cover start-up costs for the JV and subsequent development costs will be split equally.

Supply chain management of vaccine has also shown improvement over the last year, at GSK. An overall positive trend in supply performance especially in vaccines helped in supporting the larger business performance as well. GSK has adopted a flexible pricing policy in order to expand access to its products, both vaccines and medicines, based on a country's ability to

pay. This has resulted in significant reduction in prices.

**Company:** GlaxoSmithKline

**Business:** Sales of vaccines

**Revenue:** 2013 `312 crore