

Major players in Type 2 Diabetes shifting focus to pricing to maintain market share

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The highly mature type 2 diabetes (T2D) market, which is forecast to be valued at \$58.7 billion by 2025, will see pharmaceutical companies prioritizing competitive pricing in order to offset the impact of patent expiries ahead of improving existing products, says research and consulting firm GlobalData.

According to the company's report, human insulins and many insulin analogs are currently off patent or will soon lose their patents.

The patents for Humulin and Novolin expired in 2001 and 2002, respectively. More recent patent losses include Eli Lilly's Humalog (insulin lispro) in 2013, Novo Nordisk's NovoLog/NovoRapid (insulin aspart) in 2014, and Sanofi's Lantus (insulin glargine) in 2014-2015. Lantus is already beginning to suffer erosion to the first to market insulin biosimilar, Eli Lilly's Abasaglar (insulin glargine).

Dr Jesus Cuaron, GlobalData's Senior Analyst covering Cardiovascular and Metabolic Disorders, explains: "Sanofi, historically a major player in the T2D space, is a good example of a company which has turned its attention to price rather than therapeutic value as the late-stage pipeline becomes saturated with me-too drugs. The company's recently marketed drug Lyxumia (lixisenatide) was launched at a heavy discount to rival glucagon-like peptide-1 receptor agonists (GLP-1RAs), AstraZeneca's Byetta (exenatide) and Novo Nordisk's Victoza (liraglutide).

"As Lyxumia is the fourth-to-market GLP-1RA product, with a low level of differentiation in the GLP-1RA space, Sanofi had to offer a competitive price in order to win market share. With health systems in many markets facing cost pressures today, this is likely a strategy that other companies will adopt with their me-too drugs that are in late-stage development."

Although a waning factor, major players in the T2D market are also responding to the emergence of insulin biosimilars by offering improvements on existing therapies.

Sanofi also recently launched Toujeo (insulin glargine, U300), a superior version of its own product Lantus, in addition to developing a fixed-dose combination of Lantus and its Lyxumia (lixisenatide) in order to protect its franchise.

Dr Cuaron notes: "In addition to recently launched Toujeo, Sanofi is developing a biosimilar candidate of its own: SAR-342434. Currently in Phase III trials, SAR-342434 is an insulin lispro biosimilar to Eli Lilly's Humalog.

"Overall, GlobalData believes that Novo Nordisk will maintain its lead in the insulin market by 2025, with its several marketed insulin analogs and ultra-rapid acting insulin, FIAsp (faster-acting insulin aspart), which is currently in Phase III trials."