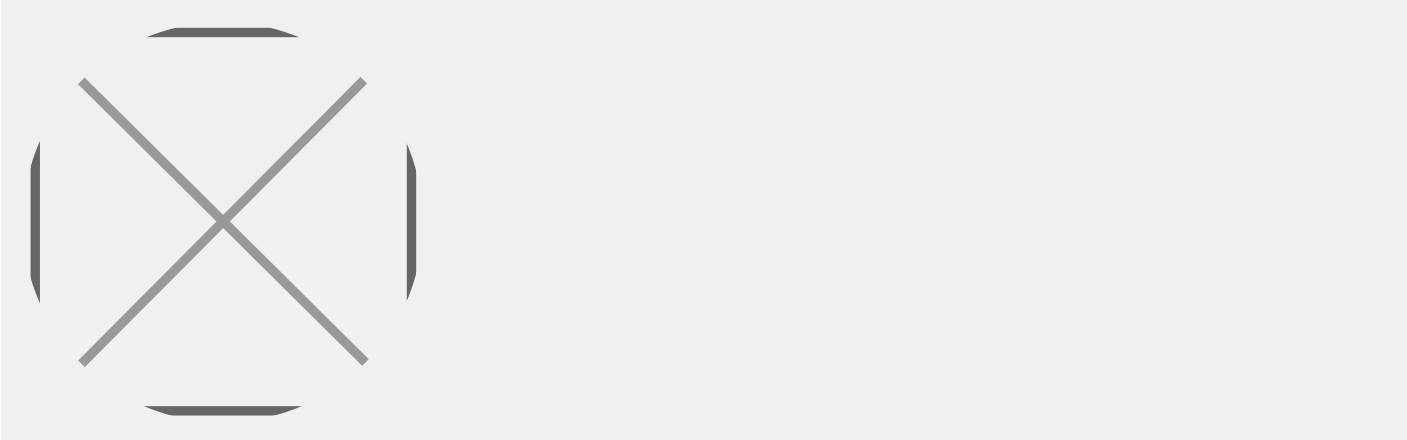
Interview with Boudewijn Van Bochove , CEO, Biogen Idec Germany



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Having experienced many years at big pharmaceutical companies, you recently moved into the booming biotech sector by joining Biogen Idec in 2007. What made you make such a decision?

The growth potential of the biotech industry is incomparable to any other sector in the pharmaceutical industry, and the entire industry has realised that. When you work at big pharmaceutical organizations for a long time it is refreshing to move to smaller, more dynamic and less centralized structures that leave more room for entrepreneurship.

However, the differences between the biotech industry and the rest of the pharmaceutical world are sometimes overrated. The only real difference is the speed at which things happen and the smaller amount of filters – the other main issues and challenges are very similar.

Being an American biotech company, present in more then 90 countries worldwide, what's the importance of the German subsidiary for the Biogen Idec group as a whole?

Germany is one of the top for Biogen Idec and was one of the first affiliates to be founded overseas. This is the largest subsidiary outside the US, evolving from a small marketing and sales unit to a full-fledged company with functions like medical affairs, costumer services and a compliance unit dedicated entirely to the German market.

On top of that, Germany is an interesting market in terms of scientific leaders and expertise, especially in our main areas of focus: neurology. Some of the top scientists are in Germany and

Biogen Idec feels very proud to be their partner. Last but not least, the company carries important pre-clinical and clinical trials in Germany thanks to its internationally recognized quality and safety.

What strategies enabled Biogen Idec to be so successful in its expansion in terms of penetrating new markets and therapeutic areas?

The general strategy of the company has been to always focus on specialty markets with areas of great unmet medical need and to bring true innovation with first-in-class or best-in-class products. Biogen Idec wants to have products that are significant not only in market terms but in improving the lives of our patients.

For the second quarter of 2009 Biogen Idec's revenues increased over 10 percent and reached the US$ 1.1 billion mark. These numbers were fuelled by Avonex and by Tysabri, which is growing between 25 and 30 percent per year. Those products are international growth drivers for Biogen Idec as a whole and in the German market.

Looking at your corporate strategy for 2010 and beyond, we see that one of your targets is to keep the double-digit growth in the years to come. What is the importance of the German operation in this strategy?

As the largest affiliate outside of the US, Germany is central to reaching our international growth targets. Besides the Multiple Sclerosis (MS) franchise business, in Germany we also market FUMADERM, which is the German market leader in the treatment of psoriasis. This product is only available in Germany, and it has a market of US$ 50 million which is growing at 10 to 12 percent a year. Biogen Idec Germany has a small dermatology business with 20 people to support this.

With more then 20 products in phase II and III and marketed products such as FUMADERM, Tysabri and Avonex, how has your product portfolio evolved and what are the most promising areas for Biogen Idec?

Biogen Idec has a broad and quickly expanding product pipeline. The company is a leader in the MS field, where we have three products in phase III. The first one is Fampridine-SR. We have a collaboration and development agreement with Acorda Therapeutics under which Biogen Idec will commercialize and develop Fampridine-SR in markets outside of the US. We expect to file for EMEA approval before the end of 2010. This product will help patients to enhance their walking abilities.

The second compound in the MS pipeline is called BG-12. It is also an oral product with the same active ingredient that's in FUMADERM, dimethyl fumarate. In Phase IIb studies, data showed that BG-12 was both safe and efficacious. We are currently running two Phase III trials for BG-12 and Biogen Idec is very confident on its potential.

The third Phase III MS compound is PEGylated Interferon beta-1a. We are currently running a Phase III trial, looking at the compound's efficacy, but also examining if it can be administered twice or even once a month – bringing a great advantage to patients in treating their MS. As I said, all these products are already in Phase III and have great potential.

Germany is very strong in neurologic research and is a booming biotech market. Therefore, how active is Biogen Idec in collaborating with local and international biotech and research centers in research and development?

Half of the products in our pipeline come from partnerships or other business agreements. Therefore, partnerships are central for Biogen Idec and we are very keen on further enhancing them, especially in a country with so much potential and with so many small and promising biotech companies that build up a good platform to work from.

Biogen Idec is widely known for its leadership and expertise in the MS field. This is one of the reasons why our partners have been interested in working with us.

Since you are an expert in market yourself, how do you manage to better position the name of Biogen Idec in the German market?

As I said, Biogen Idec wants to keep on building upon its leadership in the MS field. In order to do so, our aim is to have a close relationship with top-quality neurologists and immunologists throughout Germany.

These doctors recognize Biogen Idec's excellence in the MS treatment and the company is proud to be affiliated with top names in German MS research and treatment.

Besides image and brand recognition, the quality of human resources is central for the success of every respectful biotech company. In this regard, how did you manage to attract and to retain the best talent at Biogen Idec Germany?

Biogen Idec has an informal, open, cooperative and non-bureaucratic environment which strongly motivates people to work and be productive. In the first half of 2009, Biogen Idec had a turnover rate of just over two percent, a very healthy number – especially when other companies are obliged to reduce their size in the current climate.

The company has a very broad pipeline with 20 programs in phase II and III and it has expanded into new therapeutic areas, such as cardiology. Therefore, we need to acquire new talent in areas beyond immunology and neurology. This is one of my main tasks and I'm eager to replicate Biogen Idec's success.

Looking towards the future, what are you main ambitions for Biogen Idec?

Biogen Idec looks to maintain its steady growth rate, expanding its franchise significantly and moving into new therapeutica areas, as well as expanding our core competencies in neurology, oncology and immunology. Therefore, Biogen Idec's pipeline expansion will be the basis for significant future growth in Germany and abroad.

What will be your final message to the main decision-makers of the German pharmaceutical and healthcare industry in order to secure a sustainable development of such an important sector for society?

The message is addressed to those that think the German market is over-regulated and a complex healthcare system: Yes, there is a clear need for cost-effectiveness data and it's very reasonable for a payor to ask for that.

However, what the industry is asking for is that this process should be transparent and internationally accepted. It cannot be a type of black-box system that doesn't work according to internationally accepted standards that will determine whether products will be reimbursed or not. This will kill innovation and will diminish the role of the German pharmaceutical industry, which is already damaged by such policies by a large extent. The industry recognizes the German potential and its strengths; now the government has to start doing the same.

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