Interview: Hoori Kaskanian, Pfizer Global Established Products BU Head & Eric Boury, Director of Institutional Affairs (Hospira), Hospira (Pfizer subsidiary), France

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Pfizer Global Established Products' BU Head and Hospira's Director of Institutional Affairs tell us about Pfizer's recent major acquisition of Hospira, their post-merger strategy for increasing market access, as well as the challenges faced by the French biosimilars market and what Pfizer-Hospira is doing to achieve the huge potential in the French biosimilars market.

In February 2015, Pfizer announced that it was spending $17 billion on the acquisition of Hospira. Why was Hospira the right match for Pfizer, particularly in France?

The story in France reflects the global story of our partnership. At the heart of Pfizer's business model are innovation and access to patients to our medicines. Our overarching mission is to innovate to bring quality therapies to patients that significantly improve their lives. These two values apply equally to both Pfizer and Hospira

Hospira was a leading company in generic sterile injectables and brings a portfolio of approximately 200 products. Hospira's generic portfolio complements Pfizer's branded portfolio in a market that is large and growing. In addition, Hospira's marketed biosimilars and biosimilar pipeline enhances Pfizer's biosimilar portfolio and world-class development capabilities.

Our goal is to manage the sustainability of our brands, particularly those that are transitioning through patent expiry, and to maintain patients' access to the quality of our portfolio. This is particularly relevant in France, where the free, universal nature of the healthcare system demonstrates the government's commitment to safeguarding society's health and welfare.

At the same time, the growing number of patients with chronic illnesses – cancers and inflammatory diseases are just two examples – is a crucial issue for the French healthcare system. The overwhelming question is how to maintain affordable access for patients. . Hospira fully shares this commitment – both to our patients and to quality access – which is precisely why Pfizer decided to execute this significant acquisition.

How smoothly has the process of integrating Hospira into Pfizer gone?

We are still in the early stages of integration. The acquisition may have been announced in February this year, but we did not start operating as a combined company until September, The goal is a productive, full integration, but we are content to follow a methodical, step-by-step approach. The major advantage for us is that there are significant complementarities between the two units. While there are, unavoidably, some areas of overlap, it is minimal, particularly on the local level, which facilitates the process immensely.

There are two key areas of important synergies. The first one is in the generic injectables that we supply to hospitals, where Hospira has leadership of several molecules within the French market. For Pfizer, working more closely with healthcare providers through the hospitals is a key element of our strategy to improve quality and access. Hence, this partnership will greatly enhance our ability to place us as a key player within this market in France and aligns very well with our overall objectives. And let's not forget also that Hospira has a global expertise in injection pump, providing customers complementarity of supply between drugs and medical devices for administering them.

Secondly, within the biosimilars sector, Hospira has one of depth of experience with a number of brands already on the French market, while Pfizer has over three decades of experience in biologics.

The combination of Hospira's expertise in hospital supply chain networks and the combined Pfizer & Hospira biologics portfolio puts the new organisation in a very strong position. One important result of this partnership is securing supply chain. Hospitals place very heavy emphasis on the security and reliability of their supply chains – particularly for anti-cancer and life saving drugs. For our combined organisation security, quality, and access are core goals that we work towards everyday. We are delighted with the progress of our partnership so far and we look forward to its continuing success.

In terms of the portfolio and all the complementarities between Hospira and Pfizer, what is the post-acquisition strategy for France? Are there plans to deliver Hospira products that were not previously available in France?

Essentially, this marriage, combining Pfizer's and Hospira's pipelines in both injectables and biosimilars, puts us in a leadership position, with the opportunity to meet a wider range of patient needs. We will be able to launch more products or launch faster. For both Pfizer and Hospira currently, the US constitutes our most important market, which is natural given its size. The French market for injectables is at EUR 60 million (USD 69 million). Hospira's injectables business has a portfolio of 220 molecules in the US, while in France, the portfolio is only a tenth of that, with 24 molecules (including 4 proprietary). So a pressing question for us is: how can we increase access to those other 200-odd molecules for France, according to the needs of the French patient population.

Similarly, with biosimilars, the acquisition has moved us into this arena at a faster rate. Biosimilars are still very new and underdeveloped in Europe and perhaps even globally, and offer the opportunity to play a key role in this market

Even within Europe, the market for biosimilars in France is still very underdeveloped, for instance, when compared to Sweden and the UK. What remains to be done?

There are very complex questions surrounding biosimilars. Fundamentally, the development of relationships with stakeholders in a comprehensive approach is crucial to help shape the right environment for the optimal positioning of biosimilars within their respective therapy areas. It is important to note that there is a very complex stakeholder map with each player being critical to the optimisation and appropriate use of biosimilars for patients. Regulatory authorities are setting the standard for how best to approve these medicines, while local health authorities are trying to understand the impact of biosimilars on their policy strategy and healthcare budget. For Physicians and the patients, the interest for them is how these medicines can give them choice of treatment and a larger armamentarium to tackle their disease. Also, for biosimilars, there is a

deeper, more sensitive question about trust. And this is where Pfizer's position as a company committed to R&D, with a sophisticated manufacturing network, and a legacy in biologics, can assure the quality to build and deliver to that trust.

In France, biosimilars represent an important solution to the question of sustainable healthcare to ensure optimum coverage of patients. In January, L'Office Parlementaire d'Evaluation des Choix Scientifiques et Technologiques (OPECS), led by the Minister of Health Madame Marisol Touraine, stated clearly that biosimilars are an unmissable opportunity.

Within Pfizer, we understand this pointAnd so delivering our biosimilar pipeline, to meet the access needs of the French population is an important objective for us, while continuing to drive innovation and R&D .

Currently, out of the top 10 drugs used in hospitals in terms of sales, seven are biologics. Outside of hospitals, 5 out of the top 10 are biologics. This is why biosimilars will play an important role, alongside the wider biologics market in provide a wide access, savings and full range of choice.

What role can Hospira play to facilitate this progress?

As a world leader in this area, we believe we have a responsibility to develop the optimal model in positioning biosimilars within the healthcare market, and we have assumed this mantle. For that reason, we are very conscientious of the quality of our regulatory dossiers reflecting the R&D completed for each molecule; and ensuring that prescribers have what they need to understand the various features of the biosimilars we produce. We are also very attentive to the patient associations and groups, with whom we work to ensure that patients have the information they need as appropriate. For us, these are essential elements to create confidence amongst prescribers and patients. Effective communication is a critical factor in any successful biosimilar model.

This is another area in which the Pfizer-Hospira partnership will have enormous advantages. Hospira is mainly in the hospital business with significant expertise and know how.; . Pfizer has a strong medical team that has built up relationships with all the healthcare stakeholders over decades. Our joint experience in listening, understanding will be critical in helping us meet our customers' needs.

And we aim to position Pfizer-Hospira as the a leader in biosimilar delivery France.

We often hear that market access is a complicated issue for pharmaceutical companies in France. Is this Hospira's experience?

It is fair to say that the french system is complex. There are intricate set of procedures and relationships between the Health Ministry, the CEPS (French Interministerial Pricing Committee) and the various independent agencies like ANSM (National Agency for Medecine Safety) and HAS (Health Authority). In terms of pharmacoeconomics, France has a different mode of assessment compared to other countries like Germany, based on the concept of ‘efficiencies’, as determined by the Commission evaluation economique et de santé publique (CEESP) (the French commission for economic evaluation and public health) in HAS, whose data informs CEPS’ negotiations with the pharma companies.

Overall, our goal is to ensure that French patients have access to the best and wide range of medicines. Therefore understanding and navigating the process is a cricital part of our mission.

What is the final message you would like to send to the industry and all its stakeholders?

Healthcare is a sensitive topic. Within the pharma industry, there is a multitude of stakeholders and subsectors, and it is a highly diversified and complex field. As an industry as a whole its important for us to be united on key issues like access to treatment for patients, which have a weighty moral component. It is crucial that the industry presents a unified front and speak with one voice, and at Pfizer both in France and globally we work hard to lead the way.

Ultimately, we are all bonded by our sense of responsibility: to patients, healthcare practitioners and society at large. That is what motivates us to come to work every day – the feeling of making a difference.

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