Interview: James Chen – Chairman of the Board, Vetco, Taiwan



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James Chen, founder and Chairman of the board of Vetco, the first Taiwan-based veterinary company to have successfully developed an innovative veterinary oncology product, documents the main specificities of Vetco's flagship product, Antican

®, as well as his strategy to bring this ground-breaking treatment onto the most advanced animal health markets in the world, namely the US and Europe.

How would you assess the potential of the veterinary market for oncology products?

The market for anti-cancer treatments for animals, particularly companion animals like dogs and cats, has huge potential and is at this point really an undeveloped, blue ocean market. According to a market survey conducted by Pfizer, 1.2 million new cases of canine cancer are reported in the U.S. every year. Data gathered by the Morris Animal Foundation also showed that half of the dogs age 10+ suffer from cancer, which dramatically stands as the main cause of death for one fourth of the dogs overall.

Two treatments in this category are currently on the market at the international level, Palladia® from Pfizer's animal health business Zoetis, and Masivet® from France's AB Science. Both of these treatments are authorized for use in treating a relatively narrow range of tumor types in dogs. Moreover, only Zoetis's Palladia®, for mast-cell tumor, has been granted full approval by the US FDA.

As such, there is indisputably a huge potential for any treatment which can be used to treat a wider range of tumor types and be effective in other animal species. Overall, the pet market, which is mainly concentrated in Europe and the United States, is worth USD 60 billion globally.

What does VETCO hope to achieve in this space?

VETCO is a biotechnology company that was established in 2012 with the core purpose of developing Antican®, an innovative, broad-spectrum anti-tumor treatment for companion animals. In total we have invested over 10 years of work and hundreds of millions of Taiwanese dollars to develop this product, and finally we are on the verge of bringing it to market.

Since Vetco's establishment in 2012, we have indeed made critical advancements in the development of our flagship product, as we notably completed and successfully unblinded our double-blind field trial in dogs, conducted in collaboration with three Taiwan-based veterinary teaching hospitals. Besides that, the results from the pilot study, which was conducted in collaboration with four Taiwan-based veterinary teaching hospitals, showed that one treatment cycle of Antican® can reduce regression rates of different types of tumors, with an average tumor regression rate of 78.5 percent in effective cases. Furthermore, in pre-clinical studies we have conducted on mice, rats, and rabbits, we saw evidence that Antican® is effective against multiple tumor types, while displaying similar safety and efficacy profiles across different species.

In this regard, Antican® proudly stands as the first ever animal pharmaceutical drug developed by a Taiwan-based company to have passed technical review by the Taiwan COA. We are now preparing our dossier to submit it to the US FDA, while the latter has already affirmed that Antican® is both innovative in its mechanisms of action and has a probable improved safety profile compared to traditional oncology products.

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These impressive results also prompted Taiwanese animal hospitals to pre-order the product even before we actually launch it onto the Taiwanese market, which will eventually happen before the end of 2017. In addition, the Ministry of Economic Affairs recognized us as a frontrunner in Taiwan's biotech and pharmaceutical sector. In this vein, Vetco was invited by the Council of Agriculture to represent Taiwan in the 2016 and 2017 BIO exhibition in the US, and at the 2016 Asian pet industry exhibition in Shanghai. Besides that, we were also invited by the Bureau of Foreign Trade of Taiwan to the 2014 international pet industry's leading exhibition in Nuremberg.

How would you assess your progress towards launching this product here in your home market of Taiwan?

The first step in our overarching growth strategy will be to successfully launch Antican® in our domestic market, and then leverage that resources and the experience we may gain to commercialize this product globally.

In Taiwan, our main challenge relates to the fact that the culture of caring for and loving pets is not as developed as in Europe or in the US. Although it is rapidly growing, the share of Taiwanese pet owners who would be ready to invest significant resources in their pet's health remains lower than in the West. The upside is that if we succeed in Taiwan, it will stand as a strong evidence that our game-changing product would hold even greater growth potential in more mature pet markets around the world.

Nevertheless, in order to nurture the maturation of our domestic market, we have developed a model whereby we will help local animal hospitals to enhance their added value and turn themselves into holistic pet-cancer treatment centers. We plan to offer them a comprehensive solution offering which goes beyond our product, which help our partners and their veterinarians to provide these pets with the highest level of care possible.

What will be your model for bringing Antican® to customers internationally, in the major markets like the United States and Europe?

Although there are 2.1 million pet dogs and cats in Taiwan, it is still relatively small compared to the 140 million and 124 million pet dogs and cats in the EU and US markets respectively. Thanks to the pre-order agreements we received from many animal hospitals in Taiwan, we believe that we may be able to reach the break-even point within the year following our product launch.

Nevertheless, we would still require additional resources to penetrate the global market. Currently, we have signed Memorandums of Understanding (MoU) with several international pharmaceutical companies and expect to receive further progress notice from the US FDA, which will further enhance the value of our company and the attractiveness of our product.

As a young Taiwanese company, we will have to work with well-established international partners to commercialize this product. Therefore, our strategy is to collaborate with leading multinationals, whether it is a veterinary medicine company or pharmaceutical companies with an animal health division that shares our ambition to extend and improve the lives of pets affected by cancer.

VETCO is a very young company, and you have yet to establish a strong track record. Why should an established company in veterinary medicine choose to work with you?

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Simply because the product we have developed has an incredible level of potential! The pet oncology market is almost completely undeveloped, and evidence shows it is a safe and effective treatment for a variety of different tumor types – it's a broad-spectrum anti-cancer drug. Of course we will seek to further demonstrate its capabilities with more research, but I think the evidence we have already shows this is a groundbreaking product for the pet oncology market that will have a significant impact in all markets around the world. As a matter of fact, international companies have already proactively reached out to us to discuss potential partnerships, which is very promising and exciting!

Where would you like to see VETCO in five years' time? What would you like to accomplish by 2022?

I expect that Antican® will become a top three global product for veterinary oncology and lead VETCO to becoming one of the leading veterinary companies in Asia, and a recognized leader in the Taiwanese biotech industry. Antican® holds the potential to address a significant unmet demand in the global veterinary market, and we will surely have to expand in terms of talent, capabilities, resources and funds to be able to bring this product to its full potential onto the global stage.

What is your final message to our international readers?

A brand new blue ocean market has been discovered. We invite you to join us on this dazzling adventure!

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