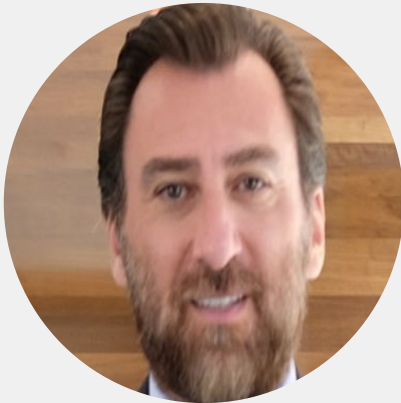


## Ersin Erfa - CEO, Centurion

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Tags: [Turkey](#), [Centurion](#), [Generics](#), [Vaccines](#), [Plasma](#)

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*Ersin Erfa, CEO of Centurion, a Turkish manufacturer, discusses the company's high ambitions, R&D capabilities, and their work on a COVID-19 treatment currently in phase II clinical trials. Erfa explains how their work on orphan drugs, innovative generics, vaccines and plasma will help them continue partnering with global companies to expand their geographical reach.*

### **Can you begin by discussing Centurion's developments since the last time PharmaBoardroom interviewed you back in 2018?**

There have been many developments in the last three years; we achieved a 60 percent growth in part because our new production facility started operations in 2018. We also successfully started our own R&D center, which is an important milestone as we spend more than 6 percent of our turnover in R&D, above the Turkish average.

Today, we are preparing ourselves for 2026 through our five-year vision which takes into account the country's Vision 2023. We want to grow much more aggressively; the last two have been quite successful but our aim is to take the company to the next level.

### **How did the COVID-19 pandemic impact the company and what is the status of the clinical development of Centurion's COVID-19 treatment?**

The pandemic presented a great challenge for us, particularly at the beginning, but we managed to adapt our teams and production base. In April, we started developing our own drug to treat COVID-19 patients which is currently on Phase II clinical trials; we are conducting studies in three Turkish hospitals and there are another six on the way. We are expecting to advance to Phase III with our lung's treatment for COVID-19 patients. The project's phase II trials are scheduled to finish in September, and we hope to receive an emergency use authorization and advance to phase III.

We are discussing all options with the Turkish Ministry of Health and asking TUSEB to support our clinical development. We are proud and optimistic about the studies and have already applied for patent protection in the US.

**As a company that produces plasma products, orphan drugs and vaccines, what is your main business today?**

We are one of the oldest companies active in plasma and vaccines in Turkey; it is our core business and we want to localize the production of both in Turkey. We are in talks with the authorities because regulations are a big hurdle for us.

For vaccines, we want to do local production starting from antigens which will require further investment. Orphan drugs are another critical part of our product portfolio, and we are investing heavily, mostly working with in-licensing schemes, partnering with global companies and R&D centers in Europe, Asia and the United States. Signing contracts is just the first step because, after that, you must show performance to get registration and reimbursement, considering that over 95 percent of the population is covered by the Social Security system.

Regarding our vaccines business, we are working with varicella, hepatitis A, hepatitis B and flu vaccines using recombinant DNA technology. In addition, Centurion is also working with COVID-19 vaccine manufacturers that are doing phase III clinical trials very soon to see how we can produce for them.

**Plasma is a delicate subject since very few companies control a large majority of the market and plasma collection centers are mostly located in the US. What is Centurion's approach to this industry?**

For plasma, we work with partners from the Netherlands and South Korea. In the Netherlands, we work with the Red Cross and export the products to 40 countries, mostly in the Middle East and North Africa (MENA), Commonwealth of Independent States (CIS) regions and some East Asia countries. Plasma is critical for us; our partners are investing in plasma collection centers and Centurion will soon help them produce from raw material to finished products. We have submitted our facility for EMA approval so Turkey can become a hub for those products; the expectation is to obtain approval later this year.

**You have said in the past that Centurion does not do “easy generics” but rather complex and innovative generics. What does that mean exactly?**

That means that we are not interested in mass production products, rather focusing on niche generics where there are far more opportunities worldwide. Centurion is in a good position and today we export generics to more than 20 countries which is quite good but not enough for us. After our EMA approval, we how to begin production for European countries; that is where much of our investment is focused on. I hope that we will double the countries we export to in the next two years, both with niche generics and plasma products. This strategy will help us become a semi-global pharma company.

**How do you assess the current situation in the Turkish market at a moment when companies are putting into question the sustainability of the system because of the pricing conditions?**

Yes, Turkey is a price aggressive market, but it is worth the trouble considering the total size. The current pricing system makes it a challenging and competitive market, and we must add the currency devaluation to that equation. The Turkish market is mostly driven by generics and, if you do not produce locally, there is almost no chance to succeed. That being said, I believe that Turkish companies should invest much more to continue exporting.

**Having mentioned your R&D investments for your COVID-19 drug, what are the company’s overall development capabilities?**

We have two types of R&D, one is the development of generics, the second is in-licensing agreements with R&D companies such as Neovacs from France. We choose companies working on phase II projects onwards. This approach is the in-licensing of biosimilars where we have partnered with a couple of global companies.

The main issue holding us back is the lack of orphan drugs and biosimilars regulation in Turkey; there is work already being done in that regard, but we are still waiting.

For orphan drugs, we need designations to be declared and protect those products to speed up the registration. In biosimilars, there are global examples that we can follow such as Korea's, Netherlands', and the United States'. Biosimilars need strong protection if Turkish companies are to obtain more market share and compete with global players. Discussions are ongoing and I think that the Ministry of Health should create its own model based on global standards.

**What is the company's approach to the rising Turkish biosimilars market, which products are you looking to produce?**

We believe that biosimilars will become a more lucrative market than generics and we are looking at therapeutic areas where we have expertise such as hematology or dermatology. We are not a strong oncology company so we will not be entering that space anytime soon.

**A few executives for Turkish companies we have interviewed have explained that they need to go abroad because it is not easy to grow big in the local market. What is your internationalization strategy?**

Because of the Turkish Lira exchange rate, companies do have a big challenge if they intend to grow in the near future. Lots of Turkish companies are looking abroad and Centurion has looked at Dubai for the Middle East and the Balkan countries. We are also working on partnerships for Europe and the US markets in specific parts of our portfolio.

**Company culture is another key element for companies looking to scale up and become global players. How do you define Centurion's approach to company culture?**

We are currently working and investing on that as the company grows and new people join our team. Our target is becoming a global player in specific regions by 2026 which means that the company must promote the use of the English language and follow core values such as honesty, hard work and perseverance. Helping people live longer and healthier is our main objective.

I believe that Turkish people are incredibly talented capable when it comes to R&D and management. People nowadays are much more confident about themselves and are willing to say what they think, which helps our company be more focused and efficient. Turkey has great universities that continuously produce amazing talent.

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