

Pharmaceutical Industry: A look at the present and the future

— SAPA-GP 2008 Annual Conference Report

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The sixth annual SAPA-GP (Sino-American Pharmaceutical Professionals Association at Greater Philadelphia Chapter) conference, held on June 21, 2008, attracted nearly 300 people to the state-of-the-art conference center at Temple University in Ambler, Pennsylvania. This year's theme is "**Pharmaceutical Industry: A look at the present and the future**", featuring 16 distinguished speakers who are prominent leaders and experts from either the US or China. In addition, close to ten vendors and organizations set up exhibition booths along the conference hallway, which provided an excellent networking platform for conference participants.

Dr. Zhongda Zhang, the outgoing SAPA-GP president, kicked off the conference with a warm welcome speech to all attendees. The morning session consisted of six keynote presentations focusing on current trends in global pharmaceutical/biotech industry and was moderated by Dr. Li Yan, the incumbent president, and Tsang-Bin Tzeng, the president-elect.

Dr. Robert T. Maguire, Senior Vice President at Wyeth Pharmaceuticals, a pediatric oncologist, discussed the current challenges faced by the pharmaceutical industry. He reasoned that higher R&D costs, lower productivities, and lack of harmonization within global drug approval systems account for pharma's stagnant growth. Other factors such as generic erosion, pricing/reimbursement pressure, and legal issues also contributed greatly to the problem. Dr. Maguire then presented how Wyeth addressed these issues. Especially in the aspect of clinical development, he said that Wyeth had aspired to achieve operational efficiencies through outsourcing non-core competencies. One such example was using ICRC (Indian clinical research center) with over 200 employees in Bangalore, India and increasing the number of PROs (pacific region organizations). After relocating the clinical development headquarter for Asian Pacific region from Australia to Shanghai China, Wyeth has established four Phase IIa/b centers in China which have proven to be of high quality and high enrollment for the past two years. Wyeth is also testing the concept of "Virtual Drug Development Center" — a lean organization with integrated capacities of clinical, regulatory, adaptive trial design, and translational medicine, to improve clinical development efficiency. In the end, Dr. Maguire enumerated innovative organizational and investment models and reported Wyeth's "Learn and Confirm" drug development model.



(Photography by Daniel Yin)

Following Dr. Maguire's presentation was Senior Vice President & Franchise Head for Oncology at Merck, **Dr. Stephen Friend**, who was also a pediatric oncologist by training. He echoed the dire situation of the pharmaceutical industry and then gave a highly scientific presentation on five emerging tools for translational medicine. Dr. Friend introduced these novel tools using vivid graphics and practical examples, which have been realized at Merck. These complex tools are being used to interrogate information derived from equally complex *in vitro*, *in vivo* and clinical studies to delineate pathways and networks, and eventually to aid in novel approaches in clinical development. Finally, Dr. Friend predicted, "By 2028, a Nobel Prize in medicine will be awarded to a Chinese with mathematics background". He also encouraged US-trained Chinese scientists to go back to China and join the exciting paradigm of the middle kingdom.

Dr. Perry Nisen, Senior Vice President of Clinical Pharmacology and Discovery Medicine at GlaxoSmithKline (GSK) and a pediatric oncologist took the next podium. While showcasing GSK's long-term development strategies, Dr. Nisen focused on his team's journey on building an R&D center in China. Dr. Nisen walked the audience through the detailed decision-making processes from realizing globalization priorities being talents and innovative technologies to weighing the pros and cons of all potential candidate locations for their future R&D center. China stood out as the best choice and GSK placed the most crucial franchise — neuroscience R&D activities in Shanghai to fulfill the global end-to-end strategy, "From Made in China to Discovered in China". At the same time, he listed the advantages and future challenges in China R&D center.

After a short break, three presentations followed and they were "Current and future challenges in pharmaceutical development" by **Dr. Frank Casty**, Senior Vice President of Medical Science at AstraZeneca; "Pharmaceutical outsourcing in Asia" by **Dr. T.J. Deng**, Senior Director at BioDuro; and "Licensing collaborations: An effective symbiosis between Biotech and Pharma" by **Dr. James Foley**, Managing Director of Aqua Partners LLC. Dr. Casty systematically reviewed the regulatory changes for US pharmaceutical development and mentioned that China will play an imperative role in future pharmaceutical development. Dr. Deng, on the other hand, perceived an integrated sourcing program as one of the solutions for pharmaceutical R&D and presented how BioDuro team can help address some of the issues troubling US Pharma. Dr. Foley then discussed in detail the possible way-out for Big Pharma through strategic approaches, such as out-licensing/out-partnership and alliances with other biotechnology companies.

After these six keynote presentations, Mr. **Zhongying Mao**, Counselor of Science and Technology, the Consulate General of P.R. China in New York, gave a brief remark, encouraging more US pharmaceutical companies to invest in China. Afterwards, Dr. Jian Li, SAPA-GP Immediate Past President, introduced the 2008-2009 President, Dr. Li Yan, from Merck. Dr. Yan wrapped up the whole morning session with an announcement of election results for 2008-2009 President-elect and Executive Council members, the appointment of SAPA-GP officials, and the establishment of the Overseas Executive Council. Dr. Yan also highlighted the leadership of Dr. Zhang for the past year, presented SAPA-GP Excellent Service Awards to Drs. Tsang-Bin Tzeng, Kai Li, Ming He, and Xi Ouyang, and expressed great appreciation to all the SAPA-GP members, volunteers, and sponsors for their support.

The afternoon session, moderated by Drs. Hua Marlon Zhong and Laura Hong, focused on opportunities & challenges for Chinese Pharma/Biotech Industry. This session brought together a group of distinguished entrepreneur speakers to present dynamic pharmaceutical development in China and to demonstrate an exciting new era for scientists in the mainland China as well as for those in the US. Speakers include Ms. **Yuwen Liu**, General Manager, Suzhou BioBay; Mr. **Qiyu Chen**, President, Shanghai Fosun Pharmaceutical Group; Mr. **Edward Hu**, Chief Operation Officer (COO), Wuxi AppTech; Mr. **Richard J. Freer**, Chairman and COO, Venturepharm Asia; Dr. **Zili Li**, Head of Asia Regulatory Policy & Research at Merck; Dr. **Xumu Zhang**, Chief Technology Officer (CTO), Chiral Quest Company; Dr. **Shoufeng Li**, Vice President, Sundia; Dr. **Ray Yin**, President & CTO, ANP Technologies Inc.; Dr. **Yiyu Chen**, Chief Scientific Officer, Crown Bioscience Inc.; and Dr. **Hua Marlon Zhong**, CTO and Vice President, Jiangyin PharmaAdvance Inc.

The conference ended with a well-presented Fosun Reception at the conference center sponsored by Shanghai Fosun Pharmaceutical Group and later with a dinner banquet at the Blue Horse Restaurant & Tavern sponsored by Xenios Research. Both reception and banquet provided great networking opportunities for our members and guests.



(Photography by Daniel Yin)

The success of this SAPA-GP 2008 annual conference again exemplified SAPA-GP's ability to foster the communication and cooperation of pharmaceutical/biotech enterprises in the US and China, and to facilitate members' career and personal development. We thank all of the team members' hard work, SAPA members' support and the sponsorship from many organizations. Thanks to our EC/OC members for their great teamwork spirit and Dr. Zhongda Zhang's leadership as president of 2007-2008. We look forward to seeing everyone again at the next annual conference in 2009.