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Printed By **Udaykumar Murthy**

Favipiravir Adds Near-Equivalent Of AZ India To Glenmark's Sales

27 May 2021 | **ANALYSIS**

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Executive Summary

Antiviral favipiravir brings stunning gains to Glenmark, almost equal to the entire India sales of some multinationals, as demand surged amid the ferocious second of COVID-19 in the country. Such brand build-up could have taken five to seven years in pre-pandemic times, experts said.



HUGE SPURT IN GLENMARK'S FAVIPIRAVIR SALES

Source: Alamy

It's not everyday that a pharma brand in India that's been on the market for under 12 months goes on to emerge as the top-selling therapy in the retail market with a significant lead over the number two ranked product.

That's the kind of stunning run Glenmark Pharmaceuticals Limited's Fabiflu (favipiravir) has had, garnering sales of INR7.62bn (\$104.7m) since its Indian launch in June 2020.

To put things in perspective, that's almost the entire revenues of AstraZeneca Pharma India Ltd., which reported sales of INR8.01bn during the financial year ended 31 March 2020 (sales and other income was INR8.44bn), or more than Boehringer Ingelheim's retail sales in India for the 12 months to April 2020, at INR7.38bn, as per data from the market research organization AIOCD AWACS.

If you consider some local peers, then moving annual total data for April 2021 from AIOCD AWACS indicates that Fabiflu's sales numbers are not too far away from Natco Pharma Limited's overall retail sales of INR8.26bn in India, or those of Bharat Serums at INR8.01bn.

Notably, Fabiflu's sales trend aligns with the intensity of the COVID-19 outbreak in India; there was significant demand around July to September last year, which then began tapering after the initial wave of infections appeared to be subsiding in India. February 2021 saw sales of the product down to INR116m, only to shoot up to almost INR3.52bn in April as India tackled a vicious second wave of the pandemic.

The second-ranked brand on the Indian market, Zincovit (a nutritional supplement), saw sales of INR935m in April, AIOCD AWACS data show.

Large Revenues In Short Span

Fabiflu's sales trajectory is extraordinary to say the least, with industry experts indicating that creating a brand of this size would probably have taken a company five to seven years in pre-COVID-19 times.

"In a hyper-commoditized market like India it is very difficult to create INR1bn brands, much less an INR7bn brand. In the past few years, we have seen highly differentiated products, often patent-protected innovator molecules, clocking revenue over INR1bn," said Salil Kallianpur, a former executive vice-president at GlaxoSmithKline plc in India.

He explained that most of the non-patented brands like Mixtard (isophane insulin/regular human insulin), Lantus (insulin glargine), Glycomet-GP (glimepiride/metformin) and Augmentin (amoxicillin/clavulanic acid) that are in the INR4-5bn league are very old products that have consistently built equity over many years, if not decades.

"Clocking such a large revenue in such a short time is unheard of," he added.

Speed To Market, Distribution Prowess

Importantly, Fabiflu isn't the cheapest brand on the crowded Indian favipiravir market and the second-ranked brand in the segment pales sharply in sales terms. The number two, FDC's Favenza reported sales of around INR76m in April this year, while Mylan's Favtris in fifth position logged about INR31m that month, per AIOCD AWACS data.

Kallianpur, who now runs a digital health consultancy, said while making medicine cheaper is oft-talked about, paradoxically it is never the cheapest brand that has a market leading position in the Indian market.

Pandemic Perspectives: Remdesivir, Favipiravir's Eventful Journeys In India A Year On

By Anju Ghangurde

17 Mar 2021

COVID-19 doesn't seem to be going away any time soon and antivirals remdesivir and favipiravir remain part of the treatment armamentarium. "Safety inventories" are in place for remdesivir in India, while a key physician anticipates an uptick in the use of favipiravir amid a surge in cases in some parts of the country.

[Read the full article here >](#)

He believes it is not surprising that Fabiflu has a big lead over the rest - in India, it is all about “speed to market, deep distribution capability and a superior customer [doctor] connect”, which Glenmark has developed over the last few years.

“While Fabiflu was launched in June 2020, the competitors only came in late July and August, thus providing Glenmark a 45-60 day lead which is a very strong advantage. This coupled by the very strong demand during the first wave seem to have provided much-needed tailwind to the company,” Kallianpur explained.

Glenmark underscored that it was the first pharmaceutical company to successfully conduct Phase III clinical trials of favipiravir and receive regulatory approval to launch favipiravir in India. The firm told *Scip* that being first in the market it was able to swiftly disseminate the “first-hand knowledge gained from its in-house Phase III clinical trials” regarding the molecule’s benefits and risks through various scientific and educational programs to medical practitioners across the country. (Also see "Flutter Over Debut Of Glenmark’s Favipiravir For COVID-19 In India" - *Scip*, 22 Jun, 2020.) (Also see "Coronavirus Update: Favipiravir Scores In Phase III Trial" - *Scip*, 24 Jul, 2020.)

“Successful clinical trials built confidence among the medical fraternity to prescribe the brand. Additionally, Glenmark was able to leverage its strong distribution network to ensure availability of Fabiflu across the country. All these factors together can be attributed to the success of Fabiflu brand,” the firm added.

Fabiflu in June 2020 received emergency use authorization in India for the treatment of mild-to-moderate COVID-19. The manufacturing and marketing go-ahead was granted as part of an accelerated approval process, which took into account disease severity, rarity and the availability of alternative treatments, Glenmark said at the time.

Fabiflu ‘Rock Stable’ In Crowded Market

Currently, there are over a dozen favipiravir brands in various price bands on the Indian market, including from front-line firms such as Sun Pharmaceutical Industries Ltd., Mylan, Cipla Limited and Zydus Cadila.

Sun’s Fluguard is available at INR35/tablet for the 200mg strength and INR58.5-65/tablet for the 400mg strength, while Mylan’s Favtris is available at INR45/tablet (200mg) and INR136-160 (800mg), going by details on some online pharmacies in India.

Favipiravir’s originator, Japan’s Fujifilm Toyama Chemical Co. Ltd., in August last year launched its brand Avigan in India through partner Dr. Reddy’s Laboratories Ltd., highlighting aspects such as the large amount of safety data and superior shelf-life of its product. (Also see "Can Avigan Bite Into Buzzing Indian Favipiravir Market?" - *Scip*, 20 Aug, 2020.)

Last month, Fujifilm said it had initiated a new Phase III clinical trial in Japan for Avigan in COVID-19. This will investigate efficacy and safety in patients with early-onset disease with risk factors for progression to severe symptoms. Researchers at Stanford Medicine have also launched a study to test whether favipiravir can reduce symptoms and viral shedding in people with COVID-19 – *ClinicalTrials.gov* indicates a study completion date of 16 April 2021, though further details could not immediately be clarified.

In India, Avigan 200mg (priced at INR99/tablet; some pharmacies are providing discounts) comes in a complete therapy pack of 122 tablets with a two-year shelf life, the partners indicated at the time of launch last year.

Glenmark, however, maintained that the safety data generated from various global trials are comparable to that generated in Indian patients and that “no new safety signals” have been observed. In addition to the clinical trial, Glenmark also emphasized that Fabiflu tablets are bioequivalent to Avigan.

“The product Fabiflu is rock stable and based on the available data, the current shelf life is 24 months for 200mg and 400mg strength and 18 months for 800mg strength. The shelf life would get further extended based on availability of additional stability data,” the Indian firm declared.

Glenmark's Fabiflu also comes in a co-pack of 800/200 mg which has been designed taking into consideration the seven-day regime for mild-to-moderate COVID-19 cases as prescribed by medical practitioners. The indications are that Fabiflu's 400mg strength leads the other strengths in terms of prescriptions generated, though finer details could not immediately be ascertained.

Windfall Revenues

It will be interesting to see Fabiflu's onward journey after a spectacular April and its impact on the company's earnings.

Kallianpur said that, generally, pharma brands that reach a critical mass are quite profitable and support less profitable brands in the portfolio. Since Fabiflu is the largest brand in the market, it would be fair to assume that Glenmark's profitability could depend a lot on this single product.

The ex-GSK executive also explained that most pharma companies have reduced operating costs by a large margin since March 2020, first with the lock-down in India and then with physicians becoming wary of meeting sales representatives. "Travel expenses for company executives including sales teams have reduced. Promotional activities such CME [continuing medical education] programs, international, national and local medical conferences, which comprise the bulk of promotional budgets, were also drastically reduced as most companies adopted digital outreach to doctors," he observed.

These reductions, combined with lower overall office expenditures (given the work-from-home situation for many employees), has "definitely driven up profit margins" for pharma. Companies like Glenmark with windfall revenues from Fabiflu and a few other products have likely gained substantially, he added.