

IFPW Members Top Access to Medicines Index

(Source: An article by Kevin Grogan for Scrip Intelligence)

Positive and impactful progress continues to be made as pharmaceutical companies work diligently to close the gap in providing access to drugs in lower- and middle-income countries' governance structures, R&D processes and monitoring efforts, according to the latest report from the Access to Medicine Foundation.

While the challenge of getting medicines to poorer countries is once again evidenced with the current discussions around COVID-19 vaccines, there has been a shift to systematic access planning in R&D strategies that could radically improve access to innovative drugs for these under-served populations.

Every two years, the Access to Medicines Foundation – a not-for-profit based in the Netherlands – publishes an index ranking 20 of the world's largest pharmaceutical companies. The list is based on steps taken by the companies to improve access to medicine, using a framework of 33 indicators and assessing their actions in 106 low- and middle-income countries and in relation to 82 diseases, conditions, and pathogens.

The index, which is endorsed by more than 100 institutional investors, ranks IFPW member GlaxoSmithKline at the top. GSK has held the top position since the index was first published in 2008. Other IFPW members, including Johnson & Johnson (#3), Pfizer (#4), Sanofi (#5), AstraZeneca (#7) and Merck (#8) also made the top ten, and Bayer (#13) is included in the top 20.

GSK CEO, Emma Walmsley, said, "We are delighted to top the Access to Medicine Index once again and that our innovation in priority diseases affecting global health has been recognized." Looking ahead, she added, "We remain strongly committed to improving research, access and development of new medicines and vaccines for global health diseases, in particular HIV, TB and malaria, future pandemics and antimicrobial resistance."

The Foundation was particularly pleased to report that eight companies "are taking the lead in integrating systematic access planning into their development processes...pairing each R&D project with a plan for rapidly ensuring people living in low- and middle-income countries gain access soon after the first global launch."

Jayasree Iyer, executive director of the Access to Medicines Foundation, said that the coronavirus pandemic has shined a light on the chronic problem of inequitable access to medicines. She stressed the importance of pairing R&D projects with clear access plans to help reset priorities while addressing specific needs of people living on low incomes.

She concluded, "Although companies are inching ahead when it comes to embedding access into their business practices, activity still concentrates on too few diseases and too few countries. I believe the past year has demonstrated the pivotal importance of supplying affordable medicines for the many, rather than premium-priced products for the few."

In Brief...

- ◆ U.S. wholesaler **Cardinal Health** reported revenue of US\$41.5 billion for Q2 2021, an increase of 5% year-over-year and Q2 GAAP operating earnings of US\$461 million, an increase of 38% year-over-year. CEO *Mike Kaufmann* said, "Our second-quarter results demonstrate our resilient business model, strong fundamentals, and the adaptability of our dedicated employees. We remain focused on optimizing our core businesses, investing in key areas, and efficiently deploying capital to drive long-term sustainable growth."

- ◆ COVID-19 vaccines will now be available at **CVS** and **Walgreens** pharmacies. Eligibility for the vaccine will still be determined by each state and initially availability will be limited, but experts are hopeful that network of pharmacies will be key to speeding up distribution in the U.S.

- ◆ **Celltrion, Inc.'s** anti-COVID-19 monoclonal antibody *CT-P59* has received approval from South Korea's drug ministry, becoming the first domestically developed therapeutic to be cleared in the country and following positive top-line results in a global Phase II trial. *Regkirona (regdamvimab)* is the 2nd drug to receive official approval in South Korea for the treatment of COVID-19 following Gilead Science's antiviral *remdesivir* last July.

- ◆ **Merck's** CFO *Robert Davis* will succeed *Ken Frazier* as CEO. Frazier was one of the architects of the Schering-Plough
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Salehiya Medical Joins IFPW



IFPW is pleased to announce that Salehiya Medical (Saudi Arabia) has joined IFPW as a member.

Salehiya's CEO *Jalil Juha* said, "We are excited to join the IFPW community & look forward to benefitting from the immense value that this forum offers, in terms of global insight & perspective about the challenges and opportunities that our industry faces as a whole."

Salehiya started commercial activities in 1964, as a specialized healthcare company. At present, it is one of the leading Saudi Arabian companies involved in the distribution of pharmaceuticals, veterinary products, medical and laboratory equipment, diagnostics, medical disposables, hospital, and consumer supplies.

Salehiya has kept pace with the rapid development of the health sector in Saudi Arabia and gradually evolved in line with the needs and demands of a constantly growing market and ambitious development programs of the government, represented mainly, by the Ministry of Health. Today the company has branch offices in Jeddah, Dammam, Khamis Mushait, Qassim and Medina Al-Munawarah to cover the whole market and to provide prompt and efficient services to the clients in each area.

How Distributors Are Finding Success in a Pandemic Era

(Source: An article by Elizabeth Galentine for *Modern Distribution Management*)

Distributors have been critical during the COVID-19-driven disruptions of the past year and have been counted among the country's "essential" businesses. At the recent National Association of Wholesaler-Distributors Digital Summit — renamed from the annual Executive Summit held each year in Washington, D.C. — the importance of distribution took center stage. "The Distribution CEO Panel: Leading in a Time of Transition," showed how companies in this space adapted to the challenges of the coronavirus and accompanying lockdowns, quarantines and evolving customer demands. The panel included Kathy Mazzarella, chairman, president and CEO, Graybar Electric Co. Inc.; Debbie Weitzman, president, U.S. Pharmaceutical Distribution, Cardinal Health Inc.; and D.G. Macpherson, chairman and CEO, W.W. Grainger Inc. Eric Hoplin, president and CEO of NAW, served as moderator.

The questions asked were built around a simple theme: Distributors are critical to ensuring that in-demand products — from the PPE needed to protect employees to the electrical products needed to keep businesses open to the medical supplies needed to keep everyone healthy — reach their destinations, so how have they responded?

Each executive shared, in their words, lessons learned about how they managed their teams and how their teams persisted in the face of such daunting obstacles.

Leadership Traits. On the leadership trait they leaned on to help their executive teams — and their companies — not only survive but thrive during the pandemic.

Debbie Weitzman: "I would point to adaptability. Without adaptability, we would not have survived the changing circumstances that we faced every single day. As a quick example, when we all moved to work from home, our leaders had to model good behavior, and be on camera all the time, and make ourselves available 24/7. Now the pendulum has swung the other way and modeling good behavior is giving people permission to not be on camera. We've implemented something at Cardinal Health called Whitespace Wednesdays to make sure nobody's scheduled meeting for a certain block of time and people have a little time to think. The needs have been shifting and changing, so adaptability has been key."

Kathy Mazzarella: "What I leaned on was the belief in the power of our organization and our people to get through this OK. And the fact that we had to convince them that everything was going to be OK — that seemed to be the key to our success and allowed us to continue to move forward and to keep our people motivated to get through this."

D.G. Macpherson: "The most important thing that we've learned is to deal directly with some of the human emotions and implications. This has been a humanitarian crisis and taking the time to actually talk about those, but then bringing it back to what our principles are: how we deal with each other and treat others and moving to what matters for the business for the future."

Meeting Demands. On how the challenges of pivoting to PPE and supplying the crush of new product demands:

Weitzman: "It was an all-hands-on-deck situation. The way you get through that is massive over-communication, literally every form of communication, whether it was texting or phone calls. And people stepped up to address the needs and make things

happen that had never happened before. We were documenting things, debriefing and creating that future playbook so that when we did hit a calm period, and we could take a breath and figure out what was here to stay and what is now the new normal, what could now be prioritized and what we could stop doing. It was an interesting learning period for the hourly workers in our warehouse all the way up to top leadership. Everybody played a role in figuring out how to get through this."

Macpherson: "Because we had product that customers needed during the pandemic, our customer acquisition numbers are way up over what they were before the pandemic...what we did have to do is change our customer acquisition and follow-up processes to make sure we were qualifying customers."

Ongoing Challenges. On Cardinal Health's view of when the vaccine will become more readily available but the challenges that will still exist in terms of getting enough people vaccinated to achieve herd immunity:

Weitzman: "We think that we'll hit that mark by late summer. I think the thing to worry about more is encouraging people to get the vaccine, because right now the problem is availability and actual inventory. But three or four months from now, that will not be the problem. There will be plenty of product, and instead of people desperate to get the vaccine, we are going to be out there looking for people who have not gotten vaccinated yet and encouraging them to do it, especially younger people who feel invincible. Within the health care population, there are health care workers who qualified for the vaccine and are saying that they do not want to get it. We need to overcome that; I think that's the bigger obstacle."

In Brief (cont.)...

acquisition which shaped pharma for the decade to follow and delivered Merck's top-selling drug, *Keytruda*. Davis will assume the CEO position effective June 30, 2021.

- ◆ The EU has granted conditional marketing authorization for **AstraZeneca/Oxford University's** COVID-19 vaccine. Approval across the 27 EU member states will help boost supplies of vaccines, alleviating a shortage that has caused some suspensions of inoculations. Separately, Oxford has launched a trial to study safety of its COVID vaccine in patients from 16 to as young as 6 years of age.

- ◆ Seven major Japanese drug makers will see a 2.7% slip in combined revenue for the year through March 2021, according to **Jiho Tally**. Only two of the seven project growth on the top line FY2020, **Sumitomo Dainippon Pharma** and **Ono Pharmaceutical**. The other five companies, including **Daiichi Sankyo** and **Astellas Pharma** foresee lower revenues and **Eisai** was forced to cut its earnings outlook due to lower-than-expected global sales of its cancer drug *Lenvima (Lenvatinib)*.

- ◆ **Pfizer/BioNTech** and **Shanghai Fosun Pharmaceutical (Group) Co., Ltd.** announced that the Food and Health Bureau of the Hong Kong Special Administrative Region of the PRC ("Hong Kong") has received emergency use authorization for its COVID-19 mRNA vaccine *Comirnaty*. The vaccine will be produced in BioNTech's German manufacturing facilities and supplied to Hong Kong. Additionally, Japan Ministry of Health has approved the *Comirnaty* vaccine after only a two-month review. Pfizer and BioNTech continue to build out capacity to reduce timeline for double output.

(Sources: *Drug Store News*, *FiercePharma*, *Pharma Japan*, *Scrip Intelligence* and *USA Today*)