

Swiss giant to make key heart failure drug here



Novartis' global chief executive Joseph Jimenez says the Swiss firm is also expanding its contact lens manufacturing facility in Singapore. ST PHOTO: LAU FOOK KONG

🕒 PUBLISHED SEP 21, 2015, 5:00 AM SGT

Shipped worldwide from Novartis' Tuas plant, it may become one of world's best-selling drugs

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Swiss pharmaceutical giant Novartis will begin manufacturing a blockbuster heart failure drug at one of its Singapore plants this year, and is also expanding its contact lens manufacturing facility here.

In an exclusive interview with The Straits Times yesterday, its global chief executive Joseph Jimenez said the heart failure drug, Entresto, is "one of the most important products in the company's history" and will be shipped worldwide from Novartis' plant in Tuas.

Novartis has predicted that Entresto, which has been shown to reduce death and hospitalisations from heart failure, could eventually hit more than US\$5 billion (S\$7 billion) in annual sales globally.

This would make it one of the world's best-selling medications. Singapore will be one of three manufacturing sites for the drug; the others are in Italy and Switzerland.

Mr Jimenez, who was here for the Singapore Summit forum, said the company is also expanding its contact lens manufacturing facility, which is run by Novartis' eyecare arm Alcon and supplies the Asia-Pacific market.

The first phase of expansion, which includes a new building and three additional production lines, will cost US\$95 million. The company will also hire 100 highly skilled staff as part of the expansion.

Aside from its regional headquarters and commercial operations here, the company operates the Novartis Institute for Tropical Diseases as well as four production plants.

One of these is a US\$500 million biologics facility in Tuas. The plant, the first of its kind for Novartis in Asia and the largest biologics investment here to date, is due to officially open in the first quarter of 2017.

This plant is expected to play a significant role in supporting Novartis' focus on the ageing population, said Mr Jimenez.

"We are working on many different disease areas (in the field of) regenerative medicine, and that has implications for Singapore because many of these new medicines will be biologics," he said. "The Singapore site will be a very important contributor towards the clinical development and eventual commercialisation of those new drugs."

Biologics refers to drugs made from proteins produced by cell cultures rather than by synthesising drugs from chemicals.

The company has invested over US\$1.2 billion in Singapore to date, and has about 1,500 employees here. It expects to eventually have a staff strength of about 1,800 when all its sites are fully operational.

Novartis has been hit by a slowdown in emerging markets, particularly in China, where previously double-digit growth has decelerated to mid-single digits.

However, Mr Jimenez said the company is "taking a long-term view" and will not be pulling back investments in these markets, which make up about a quarter of its sales.

"These are fast-growing markets that are going to be good markets for the long term. We're a big enough company that we can live through the volatility, so we are not pulling back," he said.

Asia is "critically important" to the company's growth, given the growing middle class and rising demand for healthcare, he added.

Dr Beh Swan Gin, chairman of the Economic Development Board, noted that Novartis is one of the largest employers in Singapore's biomedical sciences cluster.

"Novartis' plans... will provide an important boost to our manufacturing sector," he said.