



Japan's Otsuka to partner with local pharma firm

ISTANBUL

Japanese pharmaceutical giant Otsuka has applied to Turkey's Competition Board to establish a partnership with local Turkish drug manufacturer Abdi İbrahim following the July 30 news that Czech pharmaceutical firm Zentiva was interested in making Turkey a hub for generic drug production.

The Competition Board's review process is continuing, and both firms are awaiting board approval, Yasemin Öngören, corporate communications director at Abdi İbrahim, and Kitada Masamitsu, a public relations specialist at Otsuka, told the Hürriyet Daily News.

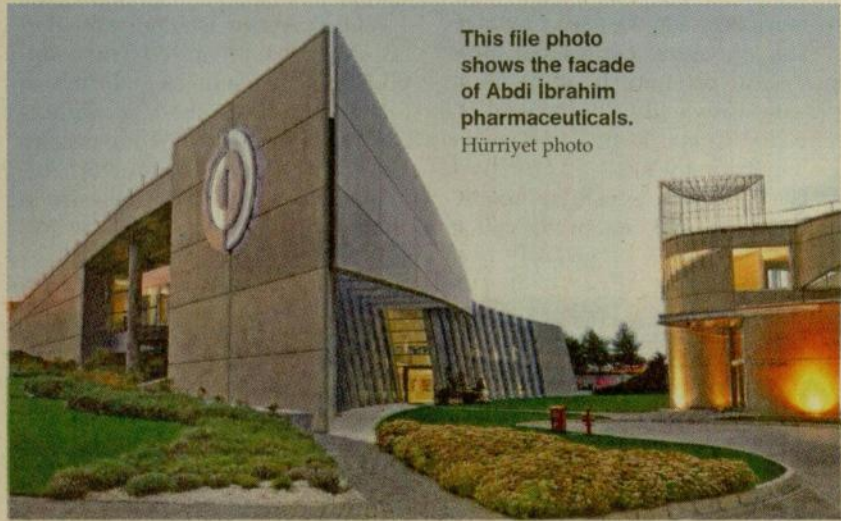
Negotiations complete

Negotiations with the Japanese firm have been completed, and the two companies are planning to partner on producing and distributing pharmaceuticals, Abdi İbrahim Board Director Nezih Barut told daily Sabah. Otsuka is planning to establish a separate company in Turkey together with Abdi İbrahim, Barut added.

"We plan to produce the drugs under Otsuka's umbrella in Turkey," Barut said.

Otsuka employs 40,000 workers and broke the world record with its \$2.4 billion initial public offering (IPO).

Turkey has a very positive out-



This file photo shows the facade of Abdi İbrahim pharmaceuticals. Hürriyet photo

look in terms of economic development when compared with many countries in the Middle East and Europe, Jones Lang Lasalle Capital Markets and Consultancy Services Director Dr. Kıvanç Erman told Anatolia news agency.

Many international companies in many sectors are interested in making Istanbul a regional hub, especially in pharmaceuticals and telecommunications.

Turkish pharmaceutical firms have been stuck in a difficult financial situation because Turkey's Social Security Institution (SGK) has not been accounting for exchange rate differences in pricing drugs and has reduced drug prices, Candan Karabağlı, chief executive officer of

Abdi İbrahim, told reporters at the International Biotechnology Convention 2012 in Boston in June.

"[About] 10 Turkish pharmaceutical firms have been acquired by foreigners in the last 10 years. This is the way [we all may be taken over], one by one," Karabağlı said.

Speaking at the same convention, Turkish Industry Minister Nihat Ergün announced that U.S.-based pharmaceutical company Baxter was preparing to invest \$180 million in Turkey to develop a new drug aimed at boosting the immune system.

"Turkey ranked 12th in the world in the pharmaceutical industry in 2010 with its \$10.4 billion pharmaceutical market," Ergün said. ● HDN