Madhukar Tanna – CEO, Pharmax, UAE



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Pharmax, a Dubai-based manufacturer and distributor of generic medications, is aiming to shake up the UAE's healthcare system with its affordable and high-quality medications. CEO Madhukar Tanna highlights the recent EU GMP approval of its manufacturing plant and explains the overall impact that generic medications can have in reducing costs for patients and liberating the system so it can focus on innovative treatments.

What are the current market dynamics shaping the UAE's generics industry?

The market has started changing very rapidly since the introduction of health insurance. Insurance companies are putting emphasis on generic medicines as well as educating payers; employers are paying for generic drugs. That is a major area of focus for the country. In addition, the Ministry of Health and Prevention is encouraging the local production of pharmaceutical products. The third factor is the growth of branded generics in the region, like in Saudi Arabia, Iran, Iraq and Jordan. Also, there are export opportunities outside of the GCC region. These some factors shaping the generics industry here.

What can you say about the company's manufacturing plant obtaining EU GMP approval?

The new EU GMP approval was a stamp on our quality system. We wanted to make a statement to the world, to the region and the authorities that we have been focused on compliance since day one. Pharmax is the only company that has the EU approval even before the products get to the patients; no other company has achieved that in the region. The plant has an installed capacity of 300 million doses, with 300 million tablets or capsules combined in a one ship basis. This capacity is adequate for our short-term need and we have additional capacity to expand.

Pharmax, as we speak, is already producing and selling oral solid dosage forms and we have now invested in a branded generic of inhalers. We are almost finalizing the investment in injectable formulations, so we will be able to sell and do all the testing and release of injectable products. Within a year or year and half, we will not only have a small segment of tablets and capsules, but a much broader range of products, which we can offer to the local hospitals, tenders and government hospitals. Right now, we have 16 products approved of which seven are commercialized. The next group of products will be commercialised in Q1 or Q2 of 2020.

Is the intention to eventually export to the European market?

Not in the very near term. That is not our goal and it is not where we are investing at the moment. We are looking for markets in Asia which can probably present more opportunities for the company.

Which products is Pharmax currently producing?

We have consciously decided not to market acute medications like antibiotics, pain killers, paracetamol or vitamins. We want to remain close to the medical world, so we are focusing only on chronic medications. It is important to understand that ten years ago, UAE doctors were not accepting generic drugs because of the poor standards, which is why the market has been led by branded medicines. Today, what we are producing is on par with the quality observed in the EU or US. Cardiologists, neurologists or psychiatrists do not have any hesitation to prescribe a generic product for depression, cholesterol or blood pressure. Our focus is on metabolic disorders, psychiatry, neurology and gastroenterology.

In terms of regulations, how do you assess the authorities support for generic medications?

We are e delighted to see what is going on in the local Ministry of Health. They are one of our biggest supporters, they encourage us to do more and remove any stumbling blocks we may have because we are significantly helping the healthcare system and the patients. They are constantly providing us the guidance. For example, the time to approve drugs is significantly lower than other countries in the region, it can sometimes take as little as four or six months.

The results are clear; if you look at not only the UAE, but the region as a whole, the penetration rate of generics is increasing. 20 years ago, nobody worked with generics and today the story has changed. Every amount of money that the system can save by using quality generic medications is money that can be invested in advanced treatments and innovative drugs. At the same time, I think there has to be a lot more education to the physicians and pharmacists about branded generics.

Every country has its own regulatory timeline. Right now, we are under regulatory approval for the Saudi market, we are approved in Iraq and are getting approval in GCC; it is a five-year plan.

What is the strategy to continue building the Pharmax brand in the region?

It is a challenge because, as a generics company, we are not producing the latest innovations. We are certainly helping the patients and the overall healthcare system, but it is not as attractive for some people. We can differentiate by our communication with physicians. The education part, which not many generic companies do, is crucial to success. We have continued to work with the psychiatrists, the diabetes association, the cardiology association, among others.

On the other hand, we are innovators inside the generics industry because Pharmax introduces the latest generics. We are also different because we are able to produce medicine with the latest drug delivery technology. We have recently signed three agreements to register a modified complex generic, which is the new trend.

What would you say to people that are still doubting between the branded products and generics?

That there is no difference. Specifications of branded and generic medicines are the same.

What kind of partners are you looking for?

We have partnerships with distributors, research companies, hospitals, doctors and suppliers. We are working on 50 products right now and around 25 partnerships. That is the name of the game in this industry, you cannot do everything yourself, it is impossible.

Partnerships play an important role in formulation development. We work with companies based out of Italy, Australia, Germany and India. We also do contract manufacturing. We have tied up with a Canadian company to launch in Q2 of 2020 differentiated products targeted towards women's health.

What would you say has been the proudest moment of your career?

Definitely getting GMP approval for this facility, the EU approval was icing on the cake. It has been our goal for a long time, we started conceptualizing Pharmax in 2011, and we got the approval in 2018; it is a long journey.

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