

Number of available vaccines set to double by 2015

LONDON, UK----14 March 2008----ExpertREACT. A new research study from strategic consultancy **VacZine Analytics** suggests that the number of available vaccines in the major Western markets could increase by 2015 to an estimated 75-80 products. Around a tenth of these new products could prevent diseases currently without a vaccination approach. The future doubling of today's available vaccines reflects a marked increase in commercial vaccine research and development along with a longer-term drive to extend preventative strategies to other areas of medical need.

Currently five major players dominate the vaccine industry accounting for around 80-90% of global revenue (~\$16 bn in 2007). With the success of its new Human Papillomavirus (HPV) quadrivalent vaccine Gardasil, Merck & Co experienced the fastest growth between 2006-07 reporting \$4.2 bn of revenue in 2007 although GlaxoSmithKline and Sanofi-Pasteur closely follow. Like Gardasil over the next few years many new vaccines could also achieve blockbuster status such as those for meningitis serogroups B and ACWY and *pneumococcal* infections.

VacZine Analytics calculates that large companies are working on around 40 major vaccine projects in the clinical and submission stages. A further 55 new vaccines are also being developed by a diverse range of 35 smaller companies. The majority of projects in the total current vaccine pipeline are in the early stages of clinical testing e.g. Phase I and Phase II. 18 projects are in the last stages e.g. Phase III and submission and are focused on supporting existing business franchises such as influenza, meningitis and pediatric combinations. This reflects increasing efforts among large players to defend their near-term market share.

Significantly, an estimated 40% of total current R&D activity is focused on vaccines for diseases where no precedent exists. For example new vaccines are being developed to prevent hospital infections caused by MRSA, *Clostridium difficile* and *Pseudomonas aureginosa*. Other vaccines are focused on serious infections in the newborn such as group B *Streptococcus* (GBS), Respiratory syncytial virus (RSV) and Cytomegalovirus (CMV). Although all major companies are focused on new projects, interestingly it is the newer entrants to the industry such as Novartis Vaccines (formerly Chiron) and AstraZeneca Medimmune that have a higher proportion of these projects in the pipeline. Other new entrants such as Pfizer are expected to continue this trend in an effort to establish newer markets segments of the future.

In recent years the vaccine industry has seen increased consolidation and alliance activity as major companies seek to source new antigens and technologies to differentiate their portfolios. Notable alliances are the strategic partnership between Novartis Vaccines and Austrian-based Intercell AG, which gives Novartis an option to develop a number of early stage projects. Intercell has other arrangements with Merck & Co and Wyeth. Another smaller company, Acambis has also been active in the deal space securing commitment from Sanofi-Pasteur regarding their ChimeriVax based vaccines for West Nile River virus and Japanese Encephalitis. The company is widely expected to partner its universal influenza program and possibly *Clostridium difficile*.

Despite the flurry of deal making with the vaccines space **VacZine Analytics** estimates there remains a total of 60-70 vaccines currently unpartnered. To larger companies these projects might be considered unattractive because around half are yet to reach clinical stages and a third are within the high-risk "therapeutic" category

CONTINUED.....



CONTINUED.....

VacZine Analytics believes there are a selected number of programs worth closer inspection but overall: the emphasis must be on continued research and development because looking to 2015 most market growth will come from completely novel vaccines.

Source: Vaccine Pipeline Review 2008 Cat: VAVS001 (to be published March 2008)

For more information about this research please visit www.vacZine-analytics.com
Or e-mail us at info@vacZine-analytics.com

About VacZine Analytics:

VacZine Analytics is a new strategic research agency based in the United Kingdom. Its aim is to provide disease and commercial analysis for the vaccine industry and help build the case for developing new vaccines.

© 2008 VacZine Analytics. All rights reserved.

