

Zydus Cadila enters Spain, acquires Laboratorios Combix

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Zydus Cadila - India's 4th largest pharmaceutical group and a global healthcare provider, announced its foray into Spain with the acquisition of 100% stake in Laboratorios Combix.

Laboratorios Combix which has a pure generics focus provides the right fit for Zydus' entry strategy into a market that is estimated at \$ 1.7 bn and is growing at 21.5% compared to 6% for the overall pharmaceutical market in 2007. The Spanish pharmaceutical market is the 5th largest in Europe.

Established in 2006, Combix with a sales and marketing focus has a solid portfolio covering 17 molecules. Additionally, it has a range of products that are pending launch or in the pipeline. The acquisition allows Zydus to jumpstart its business and leverage strengths in product development, a high quality, cost-competitive supply chain and operational efficiency.

Having entered the French generics market in 2003, an entry into Spain forms a critical part of Zydus' European expansion strategy which looks at markets with low generic penetration which provide ample opportunities for growth.

Speaking on the acquisition, Chairman and Managing Director, Mr. Pankaj R. Patel said, "We had previously announced our strategic interest in this market and I believe that this acquisition offers us an opportunity to consolidate our presence as a robust generics company and a leading global healthcare provider. The Spanish generic market is forecast to grow rapidly during the coming years and we are pleased to participate in this growth."

Sidestepping the more time consuming, green-field strategy to enter newer markets, Zydus has been expanding its operations globally through strategic acquisitions. Starting with Alharma France in 2003, the group went on to acquire Nippon Universal Pharmaceuticals Ltd. of Japan and Quimica e Farmaceutica Nikkho do Brasil Ltda. of Brazil in 2007.

With operations in the US, Europe, Japan, Latin America, Asia Pacific and Africa, the group's formulation exports grew by 72% in 2007-08. With a turnover of more than Rs. 2300 crores, the group has a world-class research and development centre dedicated to discovery research and nine state-of-the-art manufacturing plants. The group has over 9000 employees worldwide committed to its mission of creating healthier communities globally.

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