

**On Antoni Esteve's speech upon being appointed permanent member of
the Royal Academy of Pharmacy of Catalonia**

“The implementation of an open innovation model is essential to the progress of the pharmaceutical industry”

The classic research model must be transformed into true ecosystems that favor innovation in R&D

Networks of excellence and public-private collaborations are key to achieving more efficiency in research and promoting competitiveness

The Administration must foster the relationship between the fields of academy and entrepreneurship by way of stable, modern, R&D-dedicated frameworks

Barcelona, 8 April 2014.- The present economic situation and the complexity of research make it indispensable to adopt a new innovation model likely to result in increased efficiency, resource rationalization, and promotion of competitiveness. In his speech upon being appointed permanent member of the Royal Academy of Pharmacy of Catalonia, Antoni Esteve, from ESTEVE, emphasized the need for implementing an open innovation model to promote knowledge exchange, public-private collaborations, and networks of excellence.

The current complexity of pharmaceutical research poses great political, economic and regulatory challenges. In addition, *“the obsession for launching blockbusters, the tendency of companies to hire non-scientist directors, and the complexity of the disciplines involved in the development of a new medicine have all contributed to make R&D even more complicated”*.

Against this background, *“new alternative innovation strategies addressing the patient's and the final consumer's unmet needs must be embraced in line with the particularities of the sector. It is about innovating innovation —a philosophy that should be adopted by R&D companies and that is required by research, development and competitiveness”*, **Antoni Esteve** said.

The crux of the matter is to break away from the classic model of research and to create a favorable environment for R&D, that is, true innovation ecosystems that allow meeting an indispensable need: the implementation of open innovation —a model that goes beyond internal resources and knowledge, seeks collaboration with external agents likely to add value to new R&D strategic projects, and provides more efficiency and competitiveness.

According to **Antoni Esteve**, *“sharing the knowledge of all the actors involved in the different stages of innovation is essential to the progress of academic institutions, hospitals, public research centers, pharmaceutical companies, regulatory bodies, public administrations, healthcare settings, and patient associations. This spirit of partnership must be maintained throughout the value chain”*.

The implementation of an open innovation model requires social awareness of innovation, ability to generate and attract talent, promotion of knowledge networks among all actors, fluent interaction between the different scientific disciplines, innovative public and private partnerships, alternative funding sources, and knowledge clusters and hubs.

The Administration must play a leading role in facilitating a fluent relationship between academy, healthcare and industry by bringing together stable, foreseeable, modern frameworks committed to R&D investment. *"Public policies to support and transfer R&D are essential to the country's competitiveness".*

Excellence networks and public-private collaborations

A crucial factor for the implementation of open innovation in industry is the creation of excellence networks that gather the best scientists in each discipline; indeed, *"no pharmaceutical company, not even the largest one, can take up the challenge of having the best scientists of all specialties on the payroll"*. Also, *"innovation networks can set up the best mechanism to favor the sustainability of R&D projects and the economic success of the sector, all this having a positive impact on the achievement of innovative therapies and on the economic and social development of the country"*.

Traditionally, pharmaceutical companies and biotech companies have been collaborating on a steady basis. In recent years, however, cooperation between pharmaceutical companies and academic institutions has increased. The reason is that the relationships between universities and firms —among all relationships established between the different actors of the sector— are relevant to the efficacy of the entire innovative process thanks to knowledge exchange. *"As a consequence of public-private collaborations, public research gains power and thus increases its efficiency ratios and knowledge"*. According to **Antoni Esteve**, *"the purpose is to add as much talent as possible to entrepreneurial projects and to gain access to large premises and new technologies which would otherwise be unaffordable to any company alone, regardless of its volume"*. This involves an active role to be played by universities, that is, being entrepreneurship-oriented, focusing research more on the demand of the manufacturing sector, and having the ability to create companies within the university.

ESTEVE's open innovation model

With regard to collaborations with universities and public research centers, ESTEVE has delved into two innovative models where synergies between academic research and industry development are crucial.

The first model includes mixed units where the research staff of the academic center conducts R&D tasks in projects of the company, so that the chances of transforming knowledge into a final product are higher than if acting alone or separately. Examples include the ESTEVE-ICIQ Mixed Unit (with the Catalan Institute for Chemical Research) and the ESTEVE-USC Mixed Unit (with the University of Santiago de Compostela).

The second model includes public-private partnerships *"where we try to identify progress in the academic environment likely to become a medicine, particularly in high-potential areas such as vaccines and advanced therapies"*, **Antoni Esteve** explained. This consists in providing a good idea with the scientific excellence of the academic group *"and with ESTEVE's know-how on industrial property, preclinical development,*



formulation development and sample manufacturing for clinical trials, scientific advice with regulatory authorities, licensing negotiations, production, and commercialization”.

In the latter model, ESTEVE is carrying out two very ambitious projects of great scientific, therapeutic and social value. Firstly, the HIVACAT consortium to develop an effective AIDS vaccine, involving more than 60 researchers from the Hospital Clínic of Barcelona and from the Germans Trias i Pujol Hospital of Badalona, the “la Caixa” Foundation, and the Departments of Health and Innovation and of Universities and Business of the Generalitat de Catalunya. Secondly, the project carried out with the Center for Animal Biotechnology and Gene Therapy (CBATEG) of the Autonomous University of Barcelona to develop a gene therapy for the Sanfilippo Type A Syndrome, a rare but devastating childhood disease.

About ESTEVE

ESTEVE (www.esteve.com) is a leading chemical-pharmaceutical group in Spain and has a strong international presence. Ever since its foundation in 1929, ESTEVE has been firmly committed to excellence and has used its best efforts to promote health and improve people’s quality of life. Research being ESTEVE’s hallmark, a portfolio of highly innovating projects aims to provide responses to unmet medical needs.

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