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Neuraxpharm CEO Confirms Expansion Into New Markets, Including US

Company's Value-Added Segment Expected To Soon Account For Half Of Sales

by **Akriti Seth**

In an exclusive interview with *Generics Bulletin*, Neuraxpharm CEO Jörg-Thomas Dierks reveals that the company plans to expand out of Europe into other markets by acquiring companies in regions such as the US.

“Our main market is Europe, but we want to also go and look into other geographies of the world,” *Neuraxpharm* CEO Jörg-Thomas Dierks has told *Generics Bulletin* in an exclusive interview, as the company insisted that it was confident of its “very rich pipeline, developed not only for the European market but, in theory, for the global market.”

Dierks stated that apart from being a central nervous system specialist in the European market, Neuraxpharm aims to develop as “a leading global CNS specialist.”

Asked about the firm’s Europe business, Dierks pointed to Neuraxpharm having the “big advantage” of being a specialist or a “purist,” as 80%-90% of the company’s products sold in Europe are CNS products and the firm is focused on this one therapeutic area. “I think we have higher knowledge of the necessities of the market and are welcomed by the doctors because they are extremely experienced and specialized,” he pointed out.

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Talking about expanding into new geographies, Dierks said, “You know, for the moment we are already in 13 countries and we are on the move, to develop into the Nordics and into Scandinavia.” He added, “Nordics is an interesting market and we are in the process of establishing ourselves there.”

“We will start operations in Sweden in the second quarter of this year,” Dierks said, “With an affiliate located in Sweden, we took the first step of not only going into business in Sweden, but also expanding the business in other markets like Norway, Finland and Denmark.” Discussing Neuraxpharm’s European priority list, Dierks said that the company was looking at Belgium, the Netherlands and Greece next.

Referring to the company’s expansion plans outside of Europe, Dierks said that the company was also looking to build up its business in Mexico and Brazil. “At the moment we are looking to explore the possibilities in other geographies with a systematic step by step approach. So, we are looking forward to exploring opportunities in Asia, in Latin and South America, in the Middle East and for sure in the US.”

Would Enter US Market Through An Acquisition

“It is always interesting to discuss the world’s largest market, but a very special market,” said Dierks, talking about the company’s plan to enter the US. “Market access is an important point [when it comes to the US]. So, we are quite clear that when we enter into the US, we would only do by an acquisition and we also intend to acquire the right local knowledge to do so.”

Talking about the product portfolio that the company is considering for the US, Dierks said, “it’s a little bit the same. We have generic and value-added medicines, and value-added medicines are becoming more and more important now as they account for more than 30% of our sales. And by mid-term they will become even more than 50% because most of our pipeline is centered around value-added medicines.”

Referring to the company’s plan of mainly launching value-added medicines, Dierks said, “I think that the value-added medicines can be very interesting for the US market also.”

Increase In Sales With Buccolam Deal

Recently, Neuraxpharm struck a deal to acquire the Buccolam (midazolam) epilepsy treatment, “the only buccal midazolam approved across Europe,” from Takeda. (Also see "[Neuraxpharm Buccolam Acquisition Opens Up Opportunities](#)" - Generics Bulletin, 14 Sep, 2020.) Talking about the acquisition of Buccolam, Dierks said, “I think that’s an interesting possibility for us.”

“Buccolam has been launched in Japan as a new rescue medication. (Also see "[Neuraxpharm Enters Japanese Market](#)" - Generics Bulletin, 12 Jan, 2021.) We are successful in the UK, and we are seeing substantial sales of Buccolam in Ireland,” added Dierks. “We needed the platform and

the lead from Buccolam so that we could start directly and support and increase of sale of the product.” (Also see "[Medinutrix Acquisition Gives Neuraxpharm Gateway To Ireland](#)" - Generics Bulletin, 16 Dec, 2020.)

“It still has a lot of potential as a rescue medication,” said Dierks, “But Buccolam is a product where you have to give information and train for the usage.” The company is eyeing growth in the Nordics and Ireland though Buccolam.

Following Through Responsibilities During COVID-19

Dierks also threw light on the growing importance of mental health during the pandemic, commenting that “after this pandemic, mental health will become a much more important topic. The lockdown and the isolation have not been easy for mental health patients.”

“We treat patients with chronic and severe diseases, with epilepsy, with strong depression and so on. And it was clear that they will continue to need our products, whether there's COVID-19 or not. So, we organized ourselves in the best possible way that we can, to continue to produce these products for patients,” said Dierks.

Talking about the impact of COVID-19 on the business, Dierks said, “I think nothing changed for the company. Before COVID-19 our objective was to work towards becoming the leading European CNS specialist and it is still the same. And we want to achieve this by keeping our focus on value-added medicines, which we think is a kind of third way, besides pure generics and innovative drugs.”

“As a pharmaceutical company, we have a moral obligation to continue to supply products to our patients, that means we have to make sure that we are running our manufacturing sites, our quality labs and so on, with exactly the same pace as usual,” he added.

Talking about Neuraxpharm’s responsibility towards the community and healthcare professionals during the pandemic, Dierks said that the company had been able to continue to guarantee the supply of CNS medicines via pharmacies and hospitals.

Approval To Supply Medical Cannabis In France

Medical cannabis is also a significant factor in the company’s strategy. Recently, Neuraxpharm France announced being selected for a pilot program to supply medical cannabis to the French market. The approval was issued by the country’s National Agency for the Safety of Medicines and Health Products (ANSM), and will see the firm work together with Panaxia Labs, Israel’s largest medical cannabis manufacturer.

“As one of the first pharmaceutical companies to distribute medical cannabis products in Europe, we are ideally positioned, in partnership with Panaxia, to responsibly introduce medical cannabis

products to new markets, in line with our corporate mission to offer ground-breaking therapeutic CNS solutions to patients with unmet medical needs,” Dierks commented. “We are confident that France will lead the way for other countries to embrace the use of medical cannabis in the coming years.”

In 2019, Neuraxpharm entered the cannabidiol arena by striking a deal to buy Switzerland’s STU, a developer and distributor of natural cannabidiol consumer products (Also see "[Neuraxpharm Buys Into Cannabidiol Business](#)" - Generics Bulletin, 29 Oct, 2019.) and more recently started supplying medical cannabis to Germany in partnership with Panaxia (Also see "[Neuraxpharm Allies With Panaxia On Cannabis Portfolio](#)" - Generics Bulletin, 2 Apr, 2020.).

“In Germany, we started by offering some basic forms of medical cannabis but we have a very advanced portfolio so there will come advanced medicines with other different pharmaceutical forms, for example, capsules, tablets and so on.”

Dierks insisted that with France and Germany as standard-bearers, the company “will also lead the way in other European legislations and explore the possibilities in other markets like Austria, Poland and Czech Republic, because we think that medical cannabis will become an important part of the treatment options.”

“And at the end, medical cannabis will also be approved in more or less all European countries,” said Dierks. “I think that medical cannabis will become a normal standard procedure of treatment habits in different markets, once the stigma has gone away.”

Permira Is Fully Supportive Of Neuraxpharm’s Strategy

Referring to the recent deal struck by Permira to acquire Neuraxpharm from British private equity Apax Partners (Also see "[Neuraxpharm Snapped Up By Private Equity In Europe’s Largest Deal](#)" - Generics Bulletin, 22 Sep, 2020.), Dierks said, “You know we had this selling process from our former owner Apax last year and we had a huge interest in the company because we had this holistic focus on CNS.”

“We have this long-term strategy, where we exactly know what we want to do. So, we focus on the CNS specialization and having this special knowledge. But moving on, we are also looking into other geographical areas.”

“So Permira is fully supportive of this idea and we came together because we both believe in this strategy. It’s a strategy where we plan to launch our key pipeline products into areas outside of Europe.”