

# Federal Treasurer Josh Frydenberg Opens New ST Headquarters

August 2018: Australia's new Federal Treasurer Josh Frydenberg officially unveiled ST's new Melbourne headquarters, an event coinciding with the company's 10 year anniversary.

The deputy Liberal Party leader joined staff and other local dignitaries at the celebration, praising ST's commitment to innovation and recognising it's contribution to Australian healthcare.

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## From the CEO



Paul Cross is a former Federal Government ministerial advisor and senior pharma executive. Since 2012, he has been the publisher and editor-in-chief of three daily digital news mastheads covering policy, funding and politics in the Australian life-sciences sector, PharmaDispatch, BiotechDispatch and HealthDispatch. His independent news services have around 12,000 subscribers. He sat down with Carlo Montagner in August 2018 to hear how ST evolved and what its plans are

for the next decade.



**Paul Cross comment:**

“What is unique about ST is its genesis. I can’t think of any other example of where an Australian pharma company has been privately established and then gone on to successfully commercialise products.

“Of course, you have got Australian companies like CSL. But remember, CSL began as a Government-funded entity that was privatised and then grew a global presence. Has any other company begun with only the backing of a private individual and gone on to do what ST has done?

“From a publishing perspective, what I like about Carlo is that because it is his company, he speaks with great clarity about issues relating to the pharma industry.

“He knows what he wants, when he wants it and how and why the system would benefit. ST is not a listed entity and he’s got all this skin in the game. It makes him a great advocate for the sector.

ST holds its own among the multi-national pharma companies in Australia because it has a clear voice that comes direct from the CEO. Being independent, Carlo is not beholden to the policy directions from any global head office in New York, or London, or Paris.

“I can remember when ABRAXANE was going through the PBS process. Carlo took a really assertive view. He said, ‘This is what we are going to do, this is why it has to happen’. And it happened. That is what comes from having skin in the game.

“ST is different from the rest. This company is a great example of making things happen.”

**August 2018.**

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## 10 Years of Partnering



**ST began with a single drug and a single global partner in 2008. Today, our company collaborates with several high-**

**class biotechnology and pharma partners around the globe. All have been prudently selected because their products fulfill an unmet medical need.**

In 10 years, ST has executed a strategy of identifying promising mid-to-late-stage compounds for full commercial development. So successful was our initial collaboration with Spanish pharmaceutical company PharmaMar, that this partner has now licensed a second proprietary compound to ST for full development.

Here, PharmaMar's Vice-President of Business Development and Licensing Mr Heiner Pieper discusses our business relationship.



**When you were seeking a partner in the region, what were your prerequisites and what drew you to ST?**

“We saw that ST had successfully commercialised global brands such as Abraxane, Iclusig, and Aloxi.

We studied market research reports (ie IMS) and saw that drugs commercialised by ST had performed well in Australia, normally leading the pack even after loss

of exclusivity.

We also analysed customer recall data and noticed that STA scored highly most of the time. This is of course important when introducing new treatment modalities to the market.

Once we met ST's management we were impressed by their track record and felt very comfortable to enter into license discussions and then, a partnership arrangement.

Today no licensor is searching for 'distributors only'. Rather, we seek partners able to provide a full service and take a drug from late stage clinical development to market.

This means we need a partner with expertise in regulatory affairs, market access and all pre-launch activities including investigator management and KOL identification.

Once a product is launched, marketing and sales functions are of utmost importance, as is a reliable supply chain – because most of PharmaMar's products are to be handled as 'cold chain'. To this regard, the concept of 'distributor only' is a long time over.

For all functions, a partner needs the best talents. Once approved, an ideal partner should be able to execute a global brand strategy, and more importantly, make it fit to the special characteristics of the local market.

Results are important to us: a drug can only help patients if it gets sold and used to the benefit of patients.

**You have now selected ST to commercialise more than one product. What does this say about ST?**

We have licensed two products to STA – Aplidin for multiple myeloma as well as Zepsyre, which is in Phase 3 development for small cell lung cancer.

This is confirmation and recognition of the fact that we are very pleased with our partnership in Australia so far.

Aplidin was our first drug licensed to STA. We are delighted with the level of excellence in execution and speed at which this product has been introduced to market.

Australia is the first country in the world that has introduced an expanded access program (EAP) for Aplidin for multiple myeloma patients where there is an unmet need.”

**In your experience, what have been the best things about working with ST? What has impressed you to date?**

What our team in PharmaMar headquarters likes most is ST’s ‘hands-on’ attitude and the great communication. If issues appear in daily operations, we rely on ST to problem solve, rather than seek solutions from us.

This is valuable for a mid-cap biotech like ours which has limited resources. It builds trust.

**Some pharma companies require a lot of assistance from their international partner. What has been the experience with ST?**

It goes without saying that when it comes to new drug approval you need to get the buy-in of many stakeholders: doctors, health authorities, the TGA, payors, and of course, patients. ST had implemented a well thought-out program of activities, starting with face-to-face meetings and round table forums, through to an expanded special access program to prepare the market for launch.



**Globally speaking, Australia, New Zealand and South East Asia is quite a small market. Why is it important to PharmaMar?**

It is true that when it comes to spend in pharmaceuticals, the territory is only a

few percent of the total world market. However, it still offers an important opportunity and also provides a great growth potential for the future.

The region licensed to ST is very diverse. On the one hand, you have countries like Australia, and to a lesser extent Singapore, which are very similar to the pharmaceutical markets of Europe, Canada or the United States.

Generally speaking, you will find health systems provide broad coverage and there is an increasing focus on affordable drug pricing and reimbursement for everybody.

It is our firm belief that in the future those developing countries in South-East Asia will have to work with us, the pharma industry, to make effective cancer medicines available for a broader group of patients.

**On a commercial level, why do international companies like PharmaMar need to select a company that understands the particular needs of this region?**

Europe and US-based biotech companies have to focus on Europe and the US first in order to succeed. Together these two markets represent around 70% of the world pharma market. Though culturally very close, Australia is geographically remote.

Given the size of the total territory and the market rewards today, we believe it is more cost efficient to partner with a local and regional specialist. If a specialist company, such as STA, does cover several countries and also provides the right expertise in those countries, this becomes a win-win for everybody.

**What would you say now to other global biotechnology companies seeking a pharmaceutical partner to commercialise products in this region?**

When it comes to high cost proprietary products for the institutional markets, ST is one of the first addresses to consider.

**What is your expectation for the future of this partnership?**

We hope to see successful launches of our frontrunners Aplidin and Zephyre and a continuation of our trustful partnership with ST.

In addition, we look forward to working with ST to bring our products to those markets in South- East Asia which currently do not have access to innovative medicines.”

***PharmaMar's Heiner Pieper provided these insights in June 2018.***