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Paul Zhang Moderates Panel Discussion during JP Morgan 2020 Week

Paul Zhang, Partner at Bluestar BioAdvisors LLC led a panel discussion at the China Focus Forum on January 12 in San Francisco, leading up to the JP Morgan Healthcare conference 2020. China Focus SF is a dedicated event for U.S.-China cross border pharmaceutical business, held during the industry's most prestigious annual conference, which each year attracts more than 30,000 participants.

The panel consisted of C-suite leaders in China and U.S: Dr. Bing Yuan, CBO, CStone Pharmaceuticals, Dr. Jonathan Wang, SVP and Head of BD, Zai Laboratory, Mr. Derek Small, recent CEO, Assembly Biosciences and Dr. Jimmy Zhang, Venture Partner, Lily Asia Venture.

The key questions Paul posed to the panelists included:

- What is the most important change in China's pharmaceutical market in 2019 that will have a long lasting impact?
- Which product in your portfolio is best positioned for commercial success in the rapidly changing Chinese market and why?
- What is your one prediction for the China market in the next three years?

While the dialogue was multifaceted and rigorous, the one recent market development that uniformly struck the panelists is the "4+7" drug procurement policy (which will initially target 4 municipalities and 7 provincial cities) that aims to contain drug costs by reducing prices and encouraging the use of generics, while also improving their availability and maintaining quality. Its impact on pricing in China market is viewed as too broad and swift. There is a concern that the policy, while well-intentioned and perhaps even strategically smart, is carried out too aggressively, and hurts pharmaceutical companies' ability to profitably invest and grow over the long term.

The panel ended with a consensus that in China, the fundamental principle of differentiation is even more acutely in play now than in any other market. Any product class with three or more similar competitors will face significant pricing challenges if National Reimbursement Drug List (NRDL) coverage is desired. Being "first in class" or "best in class" is not only an adage, but a requirement for survival in China.

For any China market entry related questions, please contact Paul Zhang at PZhang@bluestarbio.com
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About Bluestar BioAdvisors

Bluestar BioAdvisors, LLC is an expertise-based boutique consultancy dedicated to the life sciences industry. Its leadership team consists of senior members with consulting and industry expertise. We focus on addressing the commercial opportunities and challenges of pipeline stage assets, leading to actionable strategies on global scale.

Source: Bluestar BioAdvisors LLC.

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