



Greg Duncan, president of North American operations for UCB Inc., whose U.S. operations are based in metro Atlanta, says the company is poised for a positive outlook. Bob Andres [bandres@ajc.com](mailto:bandres@ajc.com)

# Different outlooks for two drug companies

## Solvay Pharmaceuticals faces uncertain future.

## UCB Pharma looks forward to domestic, international growth.

By **Mary Welch**  
For the AJC

UCB Pharma Inc. and Solvay Pharmaceuticals Inc. have a lot in common.

Both are the U.S. headquarters of Belgian pharmaceutical companies and are located in quiet Cobb County office parks.

The parent companies of both have revenues in the billions of dollars.

Each came to Atlanta via acquisitions: Solvay through the purchase of Atlanta-based Reid-Provident Inc. in 1986 (changing its name to Solvay Pharmaceuticals in 1991) and UCB through the

purchase of Whitby Pharmaceuticals and Northampton Medical in 1994.

Both have been leaders in the state's efforts to increase its life sciences sector.

But that is where the similarities end.

While UCB sees a future of growth in its headquarters' offices behind the Clock Tower off Cobb Parkway, Solvay, located a few miles away, faces a most uncertain future.

In September, Chicago-based Abbott announced it would acquire the global pharmaceuticals business from Solvay, including the U.S. operations, for \$6.6 billion. The transaction is expected to close in the first quarter of 2010. No specific integration plans are known at this time.

Some of Solvay's main products are AndroGel, a testosterone replacement therapy; Aceon, a treatment for patients with essential hypertension; and Estratest, for symptoms associated

with menopause.

At stake are 450 employees who work in the main 65-acre corporate campus on Sawyer Road, leased offices and a 50,000-square-foot distribution center.

Functions handled locally include commercial operations (sales and marketing), clinical development, drug safety, regulatory affairs and corporate support functions.

Greg Duncan, president of North American operations for UCB, doesn't want to speculate on the future of Solvay in Atlanta. UCB, he said, is poised for growth, both domestically and internationally.

Despite a recent flurry of pharmaceutical companies merging, he does not anticipate a merger or sale.

"Our products are going to 3,000 to 4,000 new patients each week, and we have a tremendous

UCB continued on A16

# Focus is on growth, innovation

## UCB

continued from A14

portfolio for a company our size as well as a pipeline that is amazing. We are on the verge of introducing the first new drug for lupus in 50 years," he said.

UCB, with \$4.5 billion in revenues, has worldwide operations in more than 40 countries and employs more than 10,000 – 2,000 of whom are in the United States. The U.S. operations consist of four locations besides Atlanta.

The Atlanta presence consists of six buildings on 47 acres. The company's almost 400 employees handle the commercial operations, the marketing and selling, as well as the regulatory and medical affairs functions.

In recent years, the company has acquired two firms (Celltech in 2004 and Schwarz Pharma 2006) and divested itself of others. In the process, it honed its fo-

cus on developing medicine for specialized conditions in neurology, respiratory and immunology.

"Our strategy is not to be a drug company that focuses on primary care medicine," Duncan said. "Rather, we are a specialty company for the treatment of serious conditions of the central nervous systems and immunology. We expect that growth to be pretty substantial. It is where we are placing our bets."

UCB has 11 compounds in clinical development and more than 30 commercial and research and development partnerships with companies such as Amgen, Biogen Idec and Pfizer.

UCB is a leader in allergy and epilepsy with its main products being Zyrtec and Xyzal for allergy and Kep-  
pra for epilepsy.

Other primary drugs include Vimpat for epilepsy; Cimzia for inflammatory conditions such as rheumatoid arthritis and Crohn's disease; and Toviaz for overactive bladder. The company expects sales of Vimpat to reach at least \$1 billion a year.

Another drug, the Neupro patch for Parkinson's disease, had some quality-control issues but is back on the market in Europe,

although not yet in this country.

Regardless, Thibaud Rutsaert, an analyst for Bank Degroof, told The Wall Street Journal that "Neupro is one of the new drugs at UCB with blockbuster potential." Neupro's sales in 2008 were \$87.6 million. He expects sales to reach \$1 billion.

Duncan said the pharmaceutical industry has several challenges, but any potential U.S. national health care isn't one of them.

"National health care exists in Europe, and we understand that system," Duncan said. "We will apply that knowledge to whatever the United States legislates."

The real challenge facing the industry is the time and resources it takes to get a drug reviewed and approved. Regardless, Duncan said UCB won't change its mission.

"Despite what is going on with health care reform and the delivery of services and everything else, we cannot forget and we must be humbled by the fact that we develop innovative medical products that bring fundamental changes to people so their lives can be better and more meaningful."