

LESSONS IN ENTREPRENEURSHIP

The best medicine...

Stuart Read and Saras Sarasvathy examine how a US pharmacologist is helping the world's poor

The next time you pick up a prescription, check out the product's price. Pharmaceuticals are expensive, and that translates into good business. Industry profits are in the 20 per cent range and, with an ageing population driving demand, today's global pharma sales are expected to more than double, reaching £650 billion by 2020. That's more than the gross domestic product of India.

COUNTER INTUITION

An opportunity of that scale attracts entrepreneurs by the score. But none like Victoria Hale. She wants to *not* make money making pharmaceuticals. Her firm, the Institute for OneWorld Health (iOWH), describes itself as a non-profit pharmaceutical company and is a solution to the problem facing people in countries such as India who cannot afford many pharmaceutical treatments.

RECYCLING SCIENCE

Hale has a PhD in pharmacology from the University of California and has worked for both the US Food and Drug Administration and Genentech. This helped her to see opportunity where others saw waste. Every day, patents on profitable pharmaceuticals expire, enabling anyone to produce and distribute the compound without paying a royalty. And every day, R&D projects are cancelled because the prospective product cannot find a profitable market. Useless to large pharma

firms, these events could offer technology iOWH could employ, at an affordable price. Recently, the US Congress passed legislation to incentivise pharmaceutical companies to work together with nonprofit and other global health partners to spur more R&D for neglected disease. But in the end, it will take entrepreneurs such as Hale to see the promise of medicine fulfilled for all mankind.

TAKING THE FIRST STEP

Also known as kala-azar, visceral leishmaniasis (VL) is a disease transmitted by sandflies. If left untreated, the resulting internal organ damage is nearly always fatal. Half a million new cases are estimated worldwide annually, largely in India, Bangladesh and Nepal. Starting with an 'off-patent' antibiotic, iOWH assembled partners from the commercial, nonprofit and government sectors to develop, test and approve Paromomycin IM Injection for the treatment of VL. In 2007, iOWH launched the Phase 4 Program of Paromomycin IM Injection in India with the goal of developing a scalable, transferable access model for treatment of VL in India. If Hale has her way, the compound could eradicate the disease completely.

MAKING THE OPPORTUNITY

Entrepreneurs are often described as 'creative', but perhaps 'creators' is a more apt term. Had Hale not dragged a solution from the



Children from Bihar state, India, which bears 50 per cent of the global disease burden of VL

In the end, it will take entrepreneurs such as Hale (below) to see the promise of medicine fulfilled for all mankind



dustbins of pharma and built partnerships to create a new business model that gets cheap remedies to 'unprofitable' markets, it is unlikely that the need would be served today. In other words, while so many aspiring entrepreneurs search for opportunities just waiting to be discovered, real entrepreneurs roll up their sleeves to make them.

A CURE FOR THE COMMON JOB

Hale's next foes are malaria and diarrhoeal diseases. Her success against VL has given her the experience to take on these challenges, and iOWH has received more than £50m in grants from notables such as the Bill & Melinda Gates Foundation and the Lehman Brothers Foundation. Save the world? Drive a major industry? Why not do both? ●

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