EXECUTIVE SUMMARY

KEY ECONOMIC DATA ON medical biotechnology in Germany in 2016 at a glance:

- Sales of biopharmaceuticals (in the pharmacy and hospital market) increased 12.4% relative to 2015, to around €9.3 billion. The share of biopharmaceuticals in the total pharmaceuticals market rose from 22.9% to 24.8%. Growth was seen in nearly all fields of application, especially in the segment of drugs against cancer and immunological (e.g., rheumatic) diseases.

- Also due to increased revenues, companies were able to hire new staff, whose numbers rose considerably by 8.1%, to at least 44,100—a new record.

- 38 new drugs were approved in 2016—14 of them biopharmaceuticals; at 37% of the total, this is the highest percentage since the first biopharmaceutical was approved. This underlines the increasing significance of biopharmaceuticals in medical care.

- The biopharmaceuticals pipeline remains well filled. The number of biopharmaceutical compounds in clinical development rose slightly within the space of one year, from 627 to 636; biosimilars now comprise over 25% of the entire biopharmaceutical phase III pipeline. As in recent years, the focus of development is oncology.

- In 2016, there were 365 medical biotechnology companies in Germany. 116 of them are already marketing biopharmaceuticals and/or have their own innovative product pipelines; the remaining 249 contribute to drug development in other ways, such as with technology platforms, without developing their own active ingredients.

This year’s study focuses on new biopharmaceutical therapy concepts in oncology. Overall, since the 1980s, 29 biopharmaceuticals—three-quarters of them monoclonal antibodies—have been approved with a first indication for the treatment of cancer. They are now a firmly established part of modern cancer therapy. Treatment for cancer currently comprises five pillars: surgery, radiation, chemotherapy, targeted therapies, and most recently, immuno-oncological therapies. The spending of German statutory health insurers on outpatient oncology products over the last five years averaged just 11.5% of their total drug spending, or only 2.2% of these insurers’ total spending—this despite the fact that cancer is the second most frequent cause of death in Germany.

Pharmaceutical and biotech firms continue to invest intensively in oncology research, also pursuing completely new approaches like bi- or multispecific antibodies, glycomodified antibodies, antibody-drug conjugates (ADCs), mRNA- and DNA-based approaches, oncolytic viruses, and cell therapies. These new approaches are not yet able to overcome cancer, but they can help patients diagnosed with cancer live longer. More and more, cancer is becoming less a fatal disease than a chronic one.

To tap the large potential of medical biotechnology in Germany and realize medical advances, the industry needs stable and favorable frame conditions. These include reliable, innovation-friendly policies in health care systems, the ongoing expansion of basic research, the associated effective translation of ideas and insights in products and services, investments in research, development, and production in Germany, and a focus on value-based health care.