



Premium Russian and European CRO

# Choosing the Right Partner is Essential for Success

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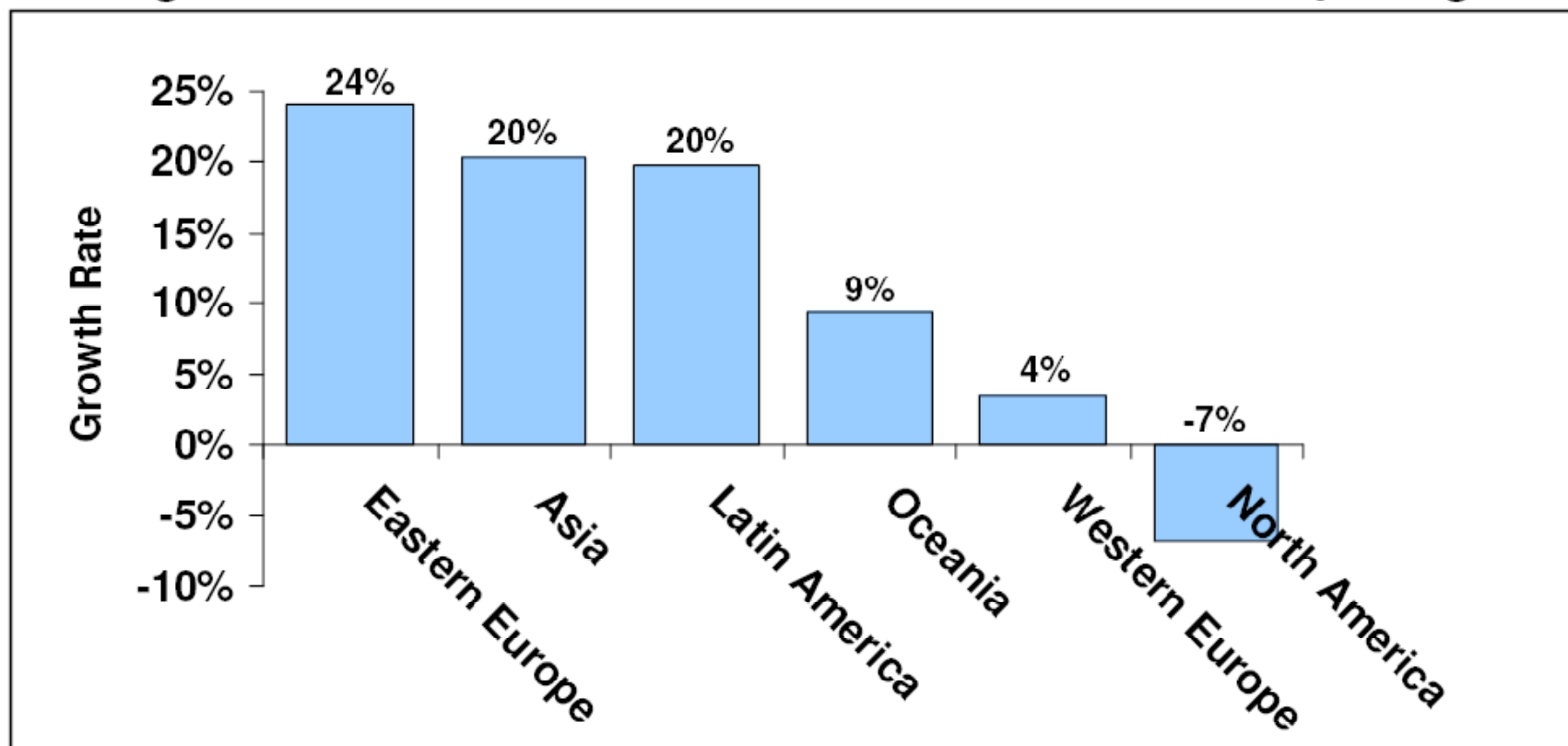
# Which of these economic regions is of most interest to you?

- China 11%
- India 28%
- Central and Eastern Europe 28%
- South East Asia 8%
- Latin America 17%
- Middle East and North Africa (MENA) 6%
- Other 3%

<http://www.informaglobalevents.com/event/emergingeconomies>  
Clinical Trials in Emerging Economies 29 - 30 June 2010

# Emerging Markets are Playing an Increasingly Important Role in Clinical Trials

## Average Relative Annual Growth Rate of Clinical Trials in Major Regions



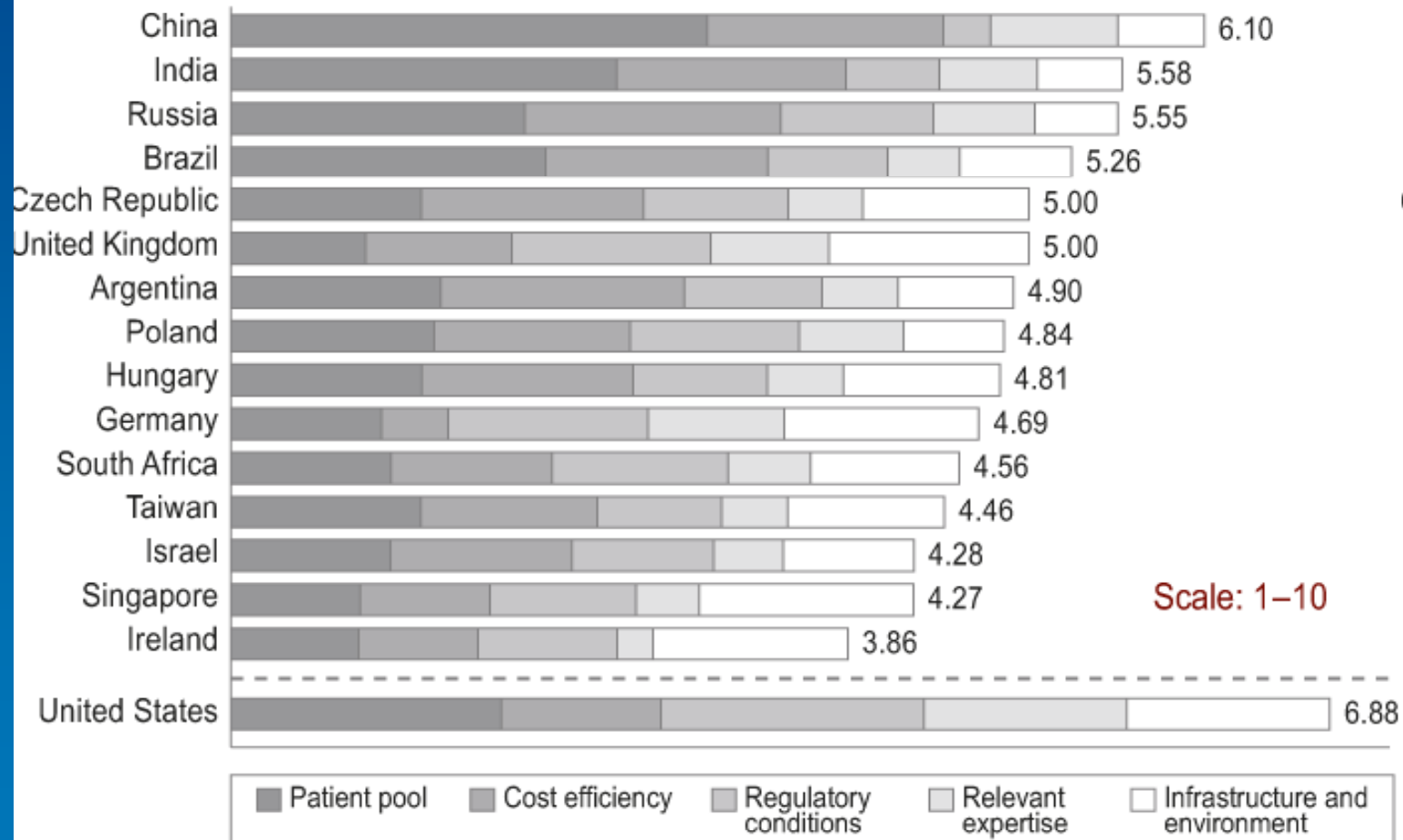
Source:

- Analysis by Thiers et al. based on data from [www.clinicaltrials.gov](http://www.clinicaltrials.gov) ("Trends in the globalization of clinical trials," *Nature Reviews Drug Discovery*, Jan. 2008)
- Growth Rate is based on share of total trials (2002-2006)

## FIGURE 1

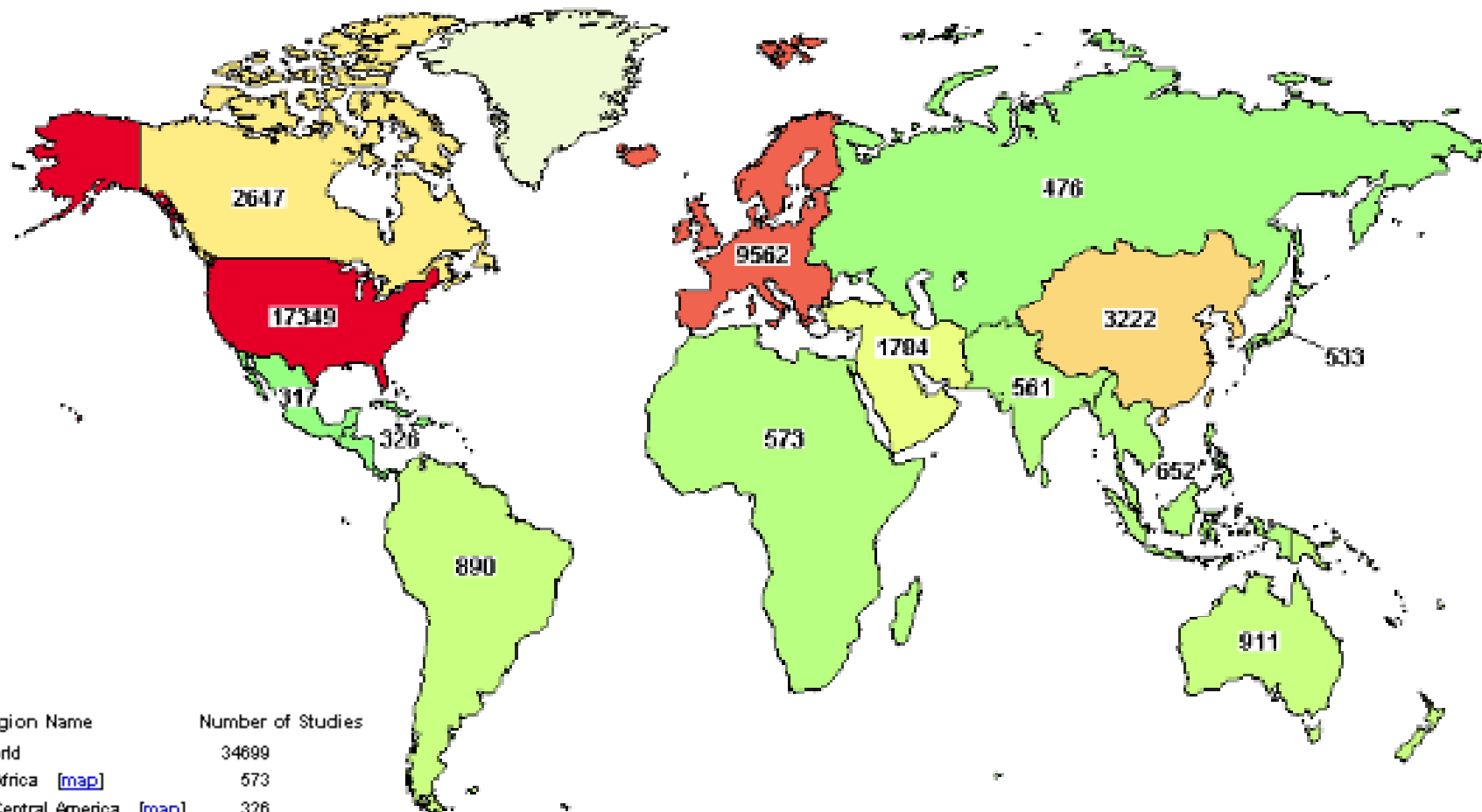
China and India are the most attractive locations to perform clinical trials outside of the United States

### Overall country attractiveness index



Source: A.T. Kearney

Notes: Higher scores indicate higher levels of attractiveness. The 15 countries analyzed were selected based on size, diversity and geographical distribution. The Index is not meant to be comprehensive across all potential offshore locations.



Region Name	Number of Studies
World	34699
Africa <a href="#">[map]</a>	573
Central America <a href="#">[map]</a>	326
East Asia <a href="#">[map]</a>	3222
Japan	533 <a href="#">[studies]</a>
Europe <a href="#">[map]</a>	9562
Middle East <a href="#">[map]</a>	1784
North America	18222
Canada <a href="#">[map]</a>	2647 <a href="#">[studies]</a>
Mexico	317 <a href="#">[studies]</a>
United States <a href="#">[map]</a>	17349 <a href="#">[studies]</a>
North Asia <a href="#">[map]</a>	476
Pacifioa <a href="#">[map]</a>	911
South America <a href="#">[map]</a>	890
South Asia <a href="#">[map]</a>	561
Southeast Asia <a href="#">[map]</a>	652

Colors indicate number of studies with locations in that region

Least  Most

Labels give exact study count

# Reasons to go to emerging markets

- To speed up enrollment
- To have different populations in trial
- Lack of possible sites in most popular markets (USA, Canada, Western Europe)
- As a start up for drug registration in country
- Beginning of marketing process
- As a trial rescue measure – in the middle of the trial when enrollment is lower than planned
- To ensure compliance with differing regulatory requirements
- Because emerging markets offer lower costs for clinical development
- Money saving
- Time saving
- Specific trial design which could be approved not in all countries

Competition for patients in the traditional clinical trials territory – North America and Western Europe – one of the main reasons to go to new markets.

Higher enrollment rate in developing countries with the same or higher quality in comparison to US and Western Europe allows to shorten time of drug development and come to market faster than competitors.

The US, Europe and Japan still represent around 80% of current global pharmaceutical sales, but much of future global growth will actually be driven by so-called emerging markets.

- Lack of adequate medical care drives patients into clinical trials
  - Eastern Central Europe
  - Latin America
  - Parts of Asia
- Standard metric of number of patients per site per month higher than in the U.S. or Western Europe

# Reasons to perform oncology trials in emerging market

- Huge pool of drug naïve patients
- Participation in the trial could be the only way for patient to receive modern treatment free of charge
- Good compliance and willing of patients to participate in the study
- Most of sites are big centers covering large territory with good access to patients population and referring hospitals

# Lower R&D cost in emerging market

## Cost per patient

- In ECE, Latin America, and parts of Asia
  - Trials can be cost effective relative to the U.S.
- A center in India will charge \$1500 to 2000 per patient, 1/10 the comparable rate in the U.S.\*
- More patients less money

\* — Garnier JP. Rebuilding the R&D engine in big pharma. Harv Bus Kym 2008; 86:68—76

In some cases running clinical trial in specific country is required for further drug registration –  
Russia, China, India, Taiwan, Japan...  
Experience with KOL is a plus for further marketing.

Utilizing a consultant such as a CRO for study functions beyond the sponsor's in-house capabilities is a very good habit to make a study on unknown market effective.

Trying to manage clinical sites/studies without in-country clinical expertise usually does not work in all fields and never works in oncology.

# Matching of Sponsor's needs and CRO's possibilities – key point for success

Client should clearly identify goals and tasks of the trial. First step of negotiations discussing of scope of work. Sponsor should understand all tasks in which CRO is expert, tasks which are performed time to time, tasks which are not in the CRO list but could be delegated to CRO's vendors and tasks which could not be performed by this CRO.

On very early stage CRO should evaluate sponsor's goals and frankly share with sponsor all hesitations about unrealistic expectations if any. Final scope of work is a document resulting from first cooperation of sponsor and CRO. This could be of the first importance especially in field of oncology as area with high requirements to site equipment, special requirements to ethics, special features of drug import process.

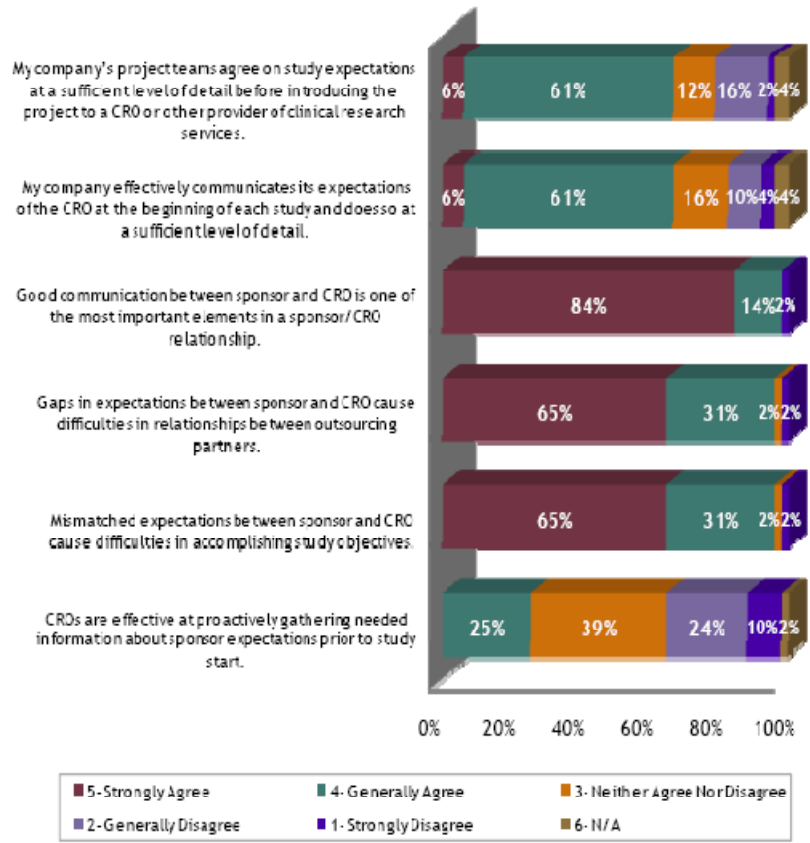
Expectations of partnership need to be clearly delineated and accepted by both sides

CRO is ready to share sponsors goals

CRO must share your vision and need for success.

**Figure 3. Distribution of Agreement Ratings Regarding the Development of Shared Operating Models: Sponsor Respondents**

N= 51



**Figure 13. Distribution of Agreement Ratings Regarding the Development of Shared Operating Models: Clinical Service Provider Respondents**

N=71

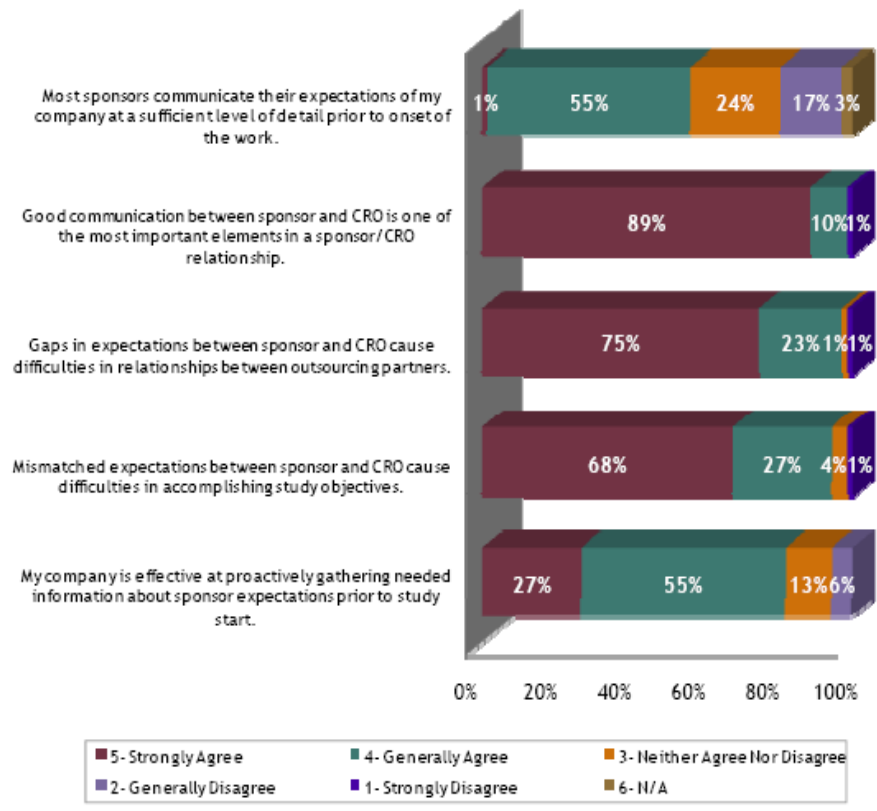


Figure 2. "In general, how satisfied are you with the work that has been done for you by CROs?"

N=51

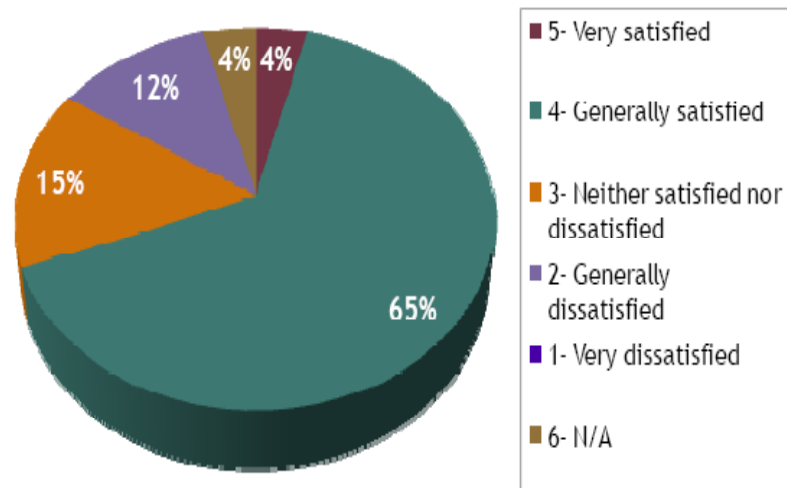
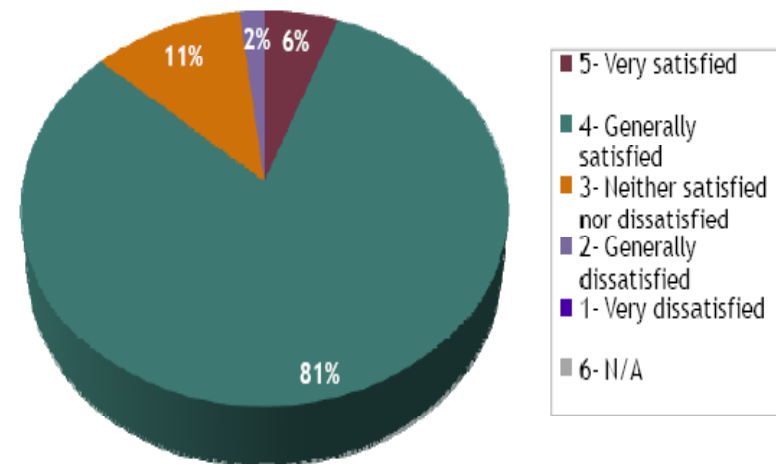


Figure 12. "In general, how satisfied are you with your relationships with your pharmaceutical and biotechnology company customers?"

N=54



# Major source of conflicts with CROs

- Failure to be Upfront about problems
- Mismatched expectations between CRO and sponsor
- Bait and Switch of Personnel
- Cost of Change Orders

Source: Avoca group 2007

# Prior to CRO selection (optimal)

- Assessing qualifications of key personnel
- Assessing SOPs: comparability with internal SOPs and change control processes
- Reviewing systems and processes for contracted services
- Assessing general experience in oncology
- Evaluate access to oncology sites and patients pull

# Top ten factors important to sponsors when choosing clinical service provider

1. Qualified staff
2. RX area expertise
3. Past relationship
4. Responsiveness
5. Cost
6. Global reach
7. Recruitment rates
8. Communication to sponsor
9. Personnel chemistry
10. Specific staff assigned to project

Source: Avoca group survey data 2007 (n=60)

# Sources for CRO selection

- Previous collaboration
- Database of vendors
- Answers to RFIs
- Recommendations
- Your business cards collection from different events
- Google

# Does the size matter? Local versus global

- Global players emphasize global scope and scale of capabilities
- Small players emphasize expertise in specific fields (best in class), flexibility, service quality, access to senior personnel.

# Global-local model

Global CRO hire local to perform study in country/region.

Reasons:

- Global CRO do not present in the country
- Lack of resources in the region
- Low of experience in the country
- Low of experience in specific therapeutic area or pour access to patients pool in the region
- Some services are not provided by global CRO in this area

# Several musts to make cooperation a piece of cake



# Main principles of trial management of sponsor and CRO should be similar



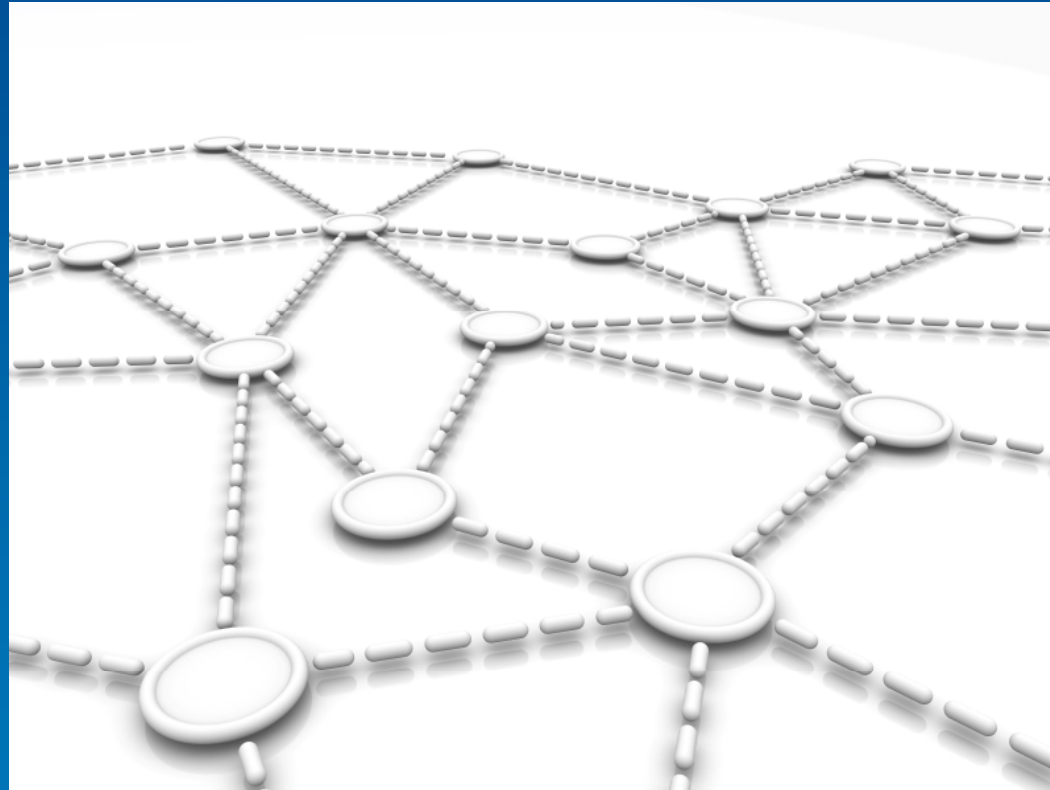
One contact person in CRO responsible  
for all trials aspects



# Very simple communication chart



# Detailed communication plan



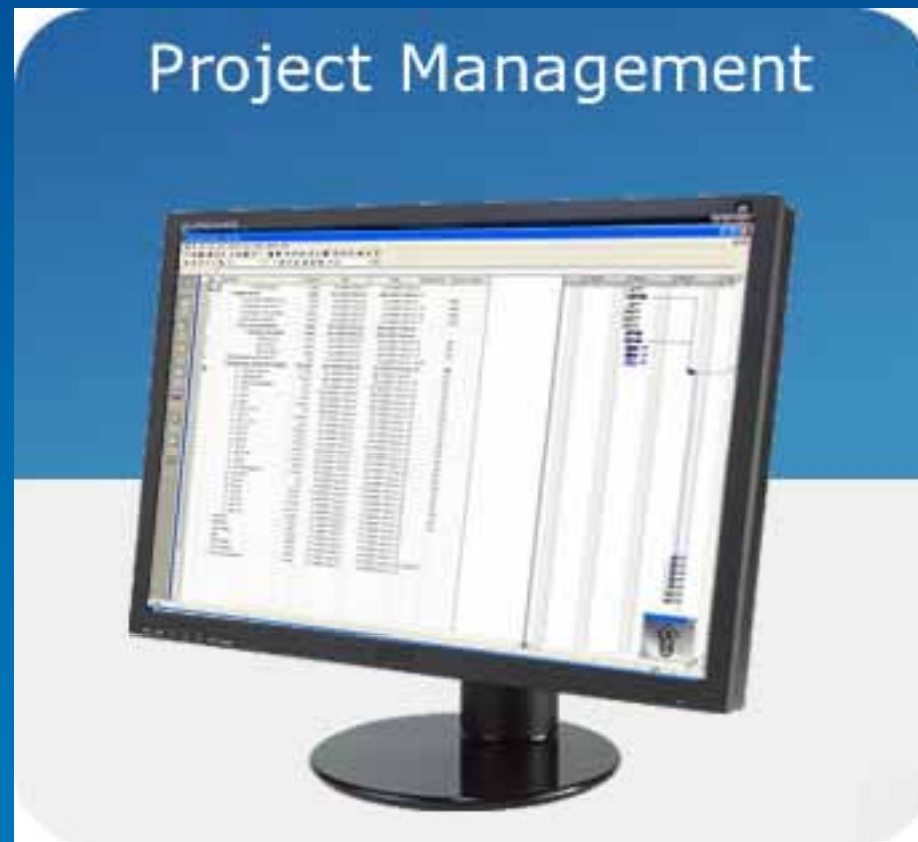
# All functions in CRO and Sponsor should be back upped

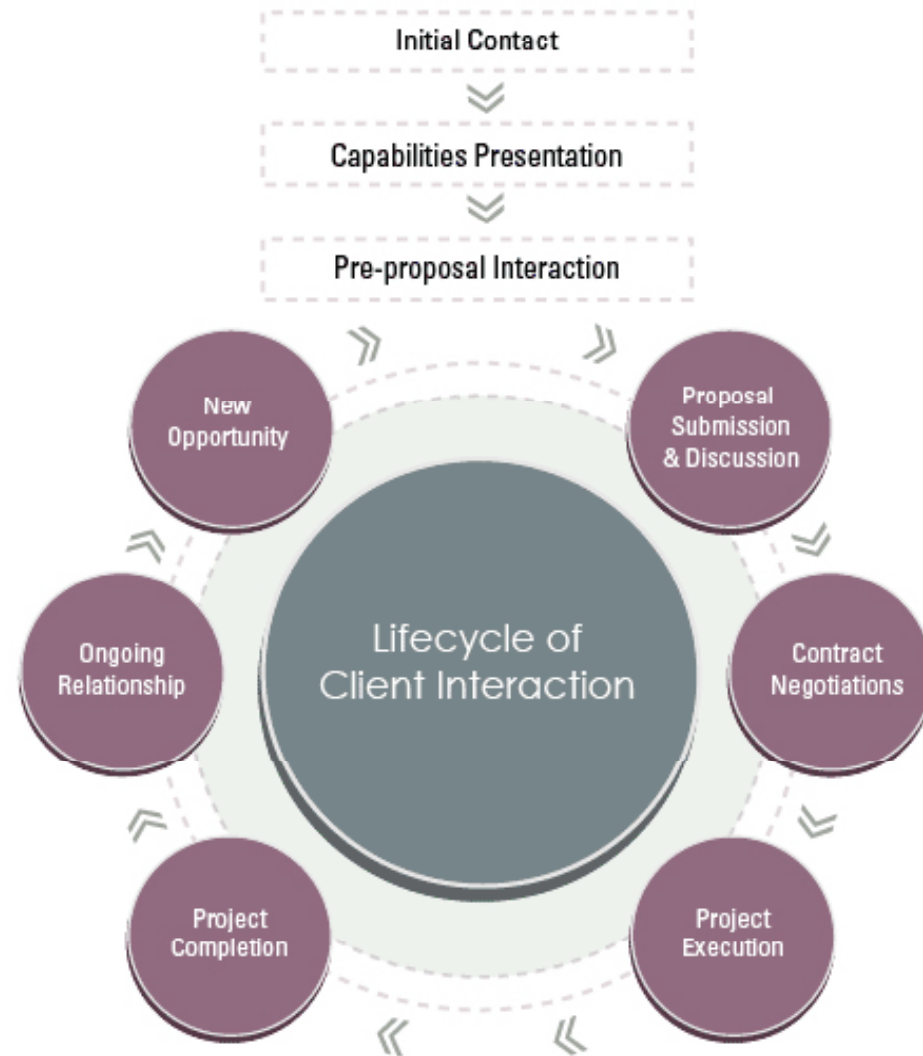


# Risk management plan from CRO should be approved by sponsor



# Project plan built in accordance with sponsor's requirements approved by sponsor





# Steps from first contact with potential partner to final decision on CRO selection

- Request brief information about experience and capabilities
- Send detailed questionnaire (RFI)
- Feasibility results – evaluate suggested sites
- Request brief summary on why region of CRO activity is good selection for running of the trial and possible difficulties and ways of their prevention
- SOPs
- QA system
- Previous audits and inspections
- Budget and proposal
- Audit
- Final decision

- Unlike other therapeutic trials, oncology trials are more sensitive in nature and require specific clinical expertise to properly manage
- Costs are high, enrollment can be challenging and you are often working with medically-fragile patients

- Investigator selection is another key driver of an oncology trial's success.
- A well-designed study is nothing without a high-performing team. It goes without saying that all members of the team should have an in-depth understanding of oncology.
- Understanding the regulatory landscape, which can be particularly challenging in oncology, is critical
- Experience in local logistic including cool chain is essential

# How to recognize the ideal CRO

- Professional, motivated, dedicated and focused staff with thorough, up-to-date training
  - SOPs, training logs
  - Project reporting tools, eg, internet portal, spread sheets, prompt meeting minutes
- Stable staff, project team member participate in project from start to end
- Expertise in target indication
- Large database/network of investigative sites
- Testimonials: customer (sponsor), investigator site comments
- Audit reports; Inspection outcomes
- Study start-up times
- Recruitment speed: actual vs. projected, on target vs. overtime
- Patient/site ratio
- Data quality / query resolution
- Number of indications, patients, trials, sites, countries