January 25, 2019

From: Pharma & Biopharma Outsourcing Association
10 Alta Vista Dr.
Ringwood, NJ 07456

To: Dockets Management Staff (HFA-305)
Food and Drug Administration
5630 Fishers Lane, Rm. 1061
Rockville, MD 20852

Re: Docket No. FDA-2018-N-3727 *"Identifying the Root Causes of Drug Shortages and Finding Enduring Solutions; Public Meeting; Request for Comments"*.

To whom it may concern,

On behalf of the Pharma & Biopharma Outsourcing Association ("PBOA"), a trade association representing Contract Manufacturing Organizations and Contract Development & Manufacturing Organizations ("CDMOs"), I appreciate the opportunity to offer feedback on *"Identifying the Root Causes of Drug Shortages and Finding Enduring Solutions; Public Meeting; Request for Comments"* (Docket No. FDA-2018-N-3272). The PBOA represents a sector responsible for manufacturing, packaging and supporting development of more than one-third of all doses distributed to patients in the U.S.

Drug shortages arise from a multitude of causes, some discrete, some intertwined with others. As manufacturers and service providers, our members work hand-in-hand with license holders to develop, manufacture, and package the dosage forms of many of these critical drugs. CDMOs are the manufacturing experts, and we will do our utmost to help alleviate and prevent shortages. At the same time, we're aware that the key drivers of shortages are not dosage form manufacturing lapses, but the economics and reimbursement issues that license holders face.

SHORTAGE MANUFACTURING ESTABLISHMENT PROGRAM

When a drug may fall into shortage because of issues at a manufacturing facility – whether it be quality concerns, a natural disaster, a change in facility status or another reason – CDMOs can help the marketing authorization holder avoid a supply disruption. The timeline to move a product into a CDMO facility can vary and, in some instances, result in a temporary shortage that cascades through the supply chain.

While FDA has the authority to streamline the technology transfer of a potential shortage drug into a new manufacturing site on a case-by-case basis, we propose a system whereby facilities can "pre-qualify" as Shortage Manufacturing Establishments. These SMEs would file for such status within a specific dosage form, and if a license holder has a drug that is in shortage or will go into shortage, the license holder will be guaranteed a streamlined process to move that drug into the SME and bring the drug back to market and contain or eliminate a shortage situation.

To qualify for SME status, a facility would need to demonstrate expertise in that dosage form area, through a criteria of tech transfers and clean Pre-Approval Inspections. FDA would publish the list of approved SME sites by dosage form on its website, which would give license-holders a leg up to find a potential manufacturing partner for its shortage drug.

Such steps would reduce crucial delays in solving manufacturing-related shortages, as license holders would save time on finding qualified facilities with available capacity, and both parties would have business certainty that they would be eligible for a number of regulatory efficiencies and limited exemptions related to pre-approval inspection, concurrent stability studies, and manufacturing change submissions. This would help restore supply and avoid shortage situations, without sacrificing the high quality that these products require.

At present, the average timeline for technology transfer is anywhere between 18 and 24 months, not including the time the license holder needs to seek out, audit and contract with the CDMO. We believe that having an SME program in place, potentially funded by a user fee for facilities that apply for SME status, can help return products to market in an efficient and safe manner.

BACKUP SUPPLY

CDMOs serve in some cases as a backup or secondary supply for drug product. Our members are interested in proposals that would mandate retaining a backup supply facility for critical products.

We strongly support the FDA's suggested strategy of requiring risk management plans to help manufacturers prepare to respond efficiently and effectively to potential shortages through the use of "warm back-ups" or dual registration of facilities. Such a requirement would reduce technology transfer timelines and allow for product to re-enter the market in a more timely fashion.

There are financial considerations that may mitigate against such arrangements for some drugs; as the representative for the Association for Accessible Medicines noted

during the public meeting on November 27, 2018, margins for generic drug companies are very tight, and the added expense of keeping a “warm” backup supply could make many generic drugs unprofitable.

While our members and other CDMOs stand ready with capacity and expertise, developing a reimbursement model that compensates these arrangements is pivotal to any plan requiring backup supply.

INDUSTRY CAPACITY

The FDA has proposed to invest federal resources in the production capacity as it relates to national security or emergency preparedness. In our members' analysis of the manufacturing market (both CDMO facilities and license holders’ in-house manufacturing facilities), they contend there is adequate capacity for the manufacture of products currently in shortage. Instead of investment in additional production capacity, FDA could offset the technology transfer costs or stabilize pricing across the value chain to incentivize use of current capacity in the market.

We appreciate the opportunity to work with FDA to help mitigate the risk of drug shortages in America, and hope we can continue this discussion as the agency develops new policies and recommendations.

Sincerely,

Gil Roth
President
Pharma & Biopharma Outsourcing Association

PBOA Member Companies

3M Drug Delivery Systems
Ajinomoto Bio•Pharma Services
Alcami
Avid Bioservices
Avista Pharma Solutions
Afton Scientific
Baxter BioPharma Solutions
Cambrex
Catalent Pharma Solutions
CMIC CMO USA, Inc.
Coating Place, Inc.
CPC - Contract Pharmacal Corp.
DPT, a Mylan Co.
Grand River Aseptic Manufacturing
Groupe PARIMA
iBio Inc.
IDT Biologika
Jubilant HollisterStier
Lyophilization Services of New England (LSNE)
Metrics Contract Services
Mission Pharmacal/ProSolus Pharma
Particle Sciences, a Lubrizol Co.
Patheon Inc., part of Thermo Fisher Scientific
PCI Pharma Services
Pfizer CentreOne
Piramal Pharma Solutions
Pharma Packaging Solutions
Renaissance Lakewood
Tapemark Inc.
TEDOR Pharma
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