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Boehringer Ingelheim Overtakes Bayer As Germany's Biggest Pharma Company

by Andrew McConaghie

The privately owned company is searching for a successor to Jardiance, while the outcome of US Inflation Reduction Act talks on price cuts to the blockbuster will be revealed in September.

[Boehringer Ingelheim](#) has become Germany's biggest company in the sector by pharma revenues, overtaking its troubled rivals [Bayer](#) thanks to rapid growth in its cardiometabolic blockbuster Jardiance.

Co-marketed with [Eli Lilly](#), [Boehringer](#)'s sales of Jardiance (empagliflozin) increased by an astonishing 31% last year to €7.4bn (\$8bn), with growth supercharged by a new approval in chronic kidney disease, adding to heart failure and diabetes indications. Its idiopathic pulmonary fibrosis drug, Ofev (nintedanib), was also a big contributor, rising by nearly 13% to €3.5bn.

This helped propel the full-year 2023 human medicines revenues at the privately owned company to €20.8bn, a more than 10% increase over the previous year.

This takes [Boehringer](#)'s pharma revenues past those of close neighbor [Bayer](#), whose pharma sales were static last year at €18.1bn.

Chairman Hubertus von Baumbach could not be drawn into basking in his company's new number one status in

Key Takeaways

- Jardiance enjoyed stellar 31% growth last year, helping [Boehringer](#) to become Germany's biggest pharma sales earner
- The company is investing heavily in R&D, but beyond its obesity/NASH candidate, its pipeline's blockbuster potential remains unproven

Germany, saying on its 16 April results call that Boehringer “considers itself as truly a global company.” He also pointed out that its pharma revenues also contained its third-party manufacturing division of around €1bn.

Bayer's total group sales from pharma, crop science and consumer health also still dwarf those of its competitor's total sales from human and animal health, reaching €47bn to Boehringer's €25.6bn, though the bigger company could be broken up in future. (Also see "[Bayer Boss Rules Out Divisions Split For Now](#)" - Scrip, 5 Mar, 2024.)

Von Baumbach was keen to highlight his company's sharp rise in R&D spending and the promise of its pipeline, as it is looks to reduce its reliance on its flagship product, which now represents a third of all pharma sales.

While Jardiance powered ahead, other former blockbusters continued to decline: chronic obstructive pulmonary disease therapy Spiriva (tiotropium bromide) sales fell by nearly 15% to €1.3bn and blood thinner Pradaxa (dabigatran) declined by more than 20% to €800m.

Jardiance has years left to run, however, with current consensus figures compiled by Evaluate forecast sales for the SGLT2 inhibitor reaching more than €13bn by 2027. After that they are expected to decline sharply. Boehringer and Lilly could also start to face patent challenges on Jardiance from December 2025.

Big Reveal For US Price Controls

The biggest threat from that time on will be the introduction of the US Inflation Reduction Act, which aims to save \$25bn by 20231 by imposing new price controls on medicines. Jardiance is one of the first ten drugs targeted for price controls from 2026, and like other companies with listed products, Boehringer has launched a legal challenge to the proposals.

The companies have nevertheless entered into what the US government calls “price negotiations” which are due to conclude at the end of August. Von Baumbach reiterated his position that this was “not a true negotiation...but it is an engagement with the government, the result of which will be communicated in September, and which will take effect in 2026.”

Full Data From Survodutide

The company's most valuable mid-to-late stage asset is survodutide, its dual glucagon/GLP-1 receptor agonist candidate in development for obesity and metabolic dysfunction-associated steatohepatitis (MASH).

While the company was keen to shine a light on other drugs in its pipeline, media interest was greatest in the dual incretin asset. Boehringer could struggle to challenge Novo Nordisk's Wegovy (semaglutide) and Lilly's Zepbound (tirzepatide) in obesity, but survodutide has the

potential to be best in class in MASH. (Also see "[Best-In-Class In MASH? Boehringer's Hopes Raised By Glucagon/GLP-1 Phase II Results](#)" - Scrip, 26 Feb, 2024.)

Boehringer has now begun a Phase III study in this indication, which all going well, could result in a launch in 2027/2028. In the near term, all eyes will be on presentation of the full data from its Phase II MASH study at the European Association for the Study of the Liver (EASL) congress in Milan, Italy, from 5-8 June.

The head of the company's Innovation unit Paola Casarosa reiterated that the headline Phase II data shared in February showed the drug could help lower liver fat content, inflammation and improve liver function and improve fibrosis in MASH patients, a multi-pronged result which she called "mindblowing". Analysts will await the EASL presentation to see if survodutide merits Boehringer's best-in-class claims, and whether it can challenge [Madrigal Pharmaceuticals](#)'s recently approved Rezdiffra (resmetirom), the first ever therapy approved for MASH. (Also see "[Madrigal Has A Slow, Steady Launch Planned For Rezdiffra](#)" - Scrip, 15 Mar, 2024.)

Analysts at Jefferies have forecast survodutide's potential peak sales at \$6.4bn, but beyond that, Boehringer has few candidates which look set for multi-billion dollar status. Von Baumbach declined to specify particular candidates, but highlighted the breadth and depth of its pipeline, which now contains 60 assets across 90 indications.

That large pipeline has been grown thanks to a big spike in Boehringer's R&D spending last year, which rose by 14.2% to €5.8bn. That represents 22.5% of net sales, well above the average seen in publicly listed pharma companies.

Its research is focused on four areas: cardio-renal-metabolic, mental health/retinal health, immunology/respiratory and oncology. The company has invested particularly heavily in cancer, including buying up companies with specialist R&D technology, such as Swiss immune-oncology company T3 Pharmaceuticals, but has yet to produce readouts which prove any of its assets are best-in-class. (Also see "[Boehringer Snaps Up T3 Amid Broader Immuno-Oncology Push](#)" - Scrip, 22 Nov, 2023.)

Boehringer has set itself the goal of launching up to 25 new molecular entities on the market by 2035, the year of its 150th anniversary. The company may succeed in bringing only a fraction of these prospects to market, but is already looking for partners to help launch in oncology, where it currently has no presence.

Last week it signed a deal with Beijing, China-headquartered [Sino Biopharmaceutical](#) on two Phase III oncology pipeline assets, brigimadlin and zongertinib, and a Phase II candidate, BI 764532, for future co-commercialization in China, where Boehringer is aiming to ramp up its presence.