

# MSD's investment in clinical trials

For more than a century, MSD has been inventing medicines and vaccines for many of the world's most challenging diseases. Today, MSD continues to be at the forefront of research to deliver innovative health solutions and advance the prevention and treatment of diseases that threaten people and animals around the world. Clinical trials are an essential part of this process.

## What is a clinical trial?

A **clinical trial** is a **research study** involving patient and non-patient human volunteers, that tests new ways to prevent, detect, diagnose or treat diseases. Clinical trials are an integral part of the **research and development of new medicines**, or new uses for existing medicines, as they help determine the **effectiveness** and **safety** of these treatments.<sup>1</sup>

## Why are clinical trials important?



### For patients

Clinical trials allow patients to **access new medicines** that may not be otherwise available **at no cost** during the trial.<sup>1</sup>



### For the economy

Clinical trials contribute to the Australian economy by **creating jobs**, **driving investment** and **improving health outcomes**.<sup>1</sup>

Clinical trials are estimated to be worth approximately

**\$1 billion**

to the Australian economy each year.<sup>2</sup>

It was estimated in 2015 that clinical trials in Australia support

**at least 6,900**

highly skilled jobs across commercial and clinical entities.<sup>1</sup>

## MSD's clinical trials footprint in Australia



In September 2019, MSD had

**143**

active clinical trials in Australia.<sup>1</sup>



MSD currently employs

**158 staff**

for clinical trials across Australia and New Zealand as of September 2019.<sup>3</sup>



MSD conducts clinical trials in multiple therapeutic areas including **oncology**, **infectious diseases**, **vaccines**, **diabetes** and **Alzheimer's disease**.



In August 2019, the contract value of MSD's active clinical trials in Australia was valued at approximately

**\$482 million<sup>3</sup>**



MSD's global investment in R&D for 2018 was

**\$9.8 billion USD<sup>3</sup>**

## How can we continue to attract investment in Australian Clinical Trials?

Australia has world class researchers and hospitals which makes Australia an attractive destination for investment in clinical trials. However, more can be done to increase investment in clinical trials and remain competitive within the global environment:

**1**

### Clinical trial harmonisation.

Compared to other OECD Countries, Australia is at risk of losing its competitive edge as a destination for clinical trials investment due to the **inconsistent governance arrangements** across the different states, which can make costs **highly variable**, **slow down start-up timelines** and **negatively impact successful recruitment** into a trial. The Australian Commission on Safety and Quality in Healthcare is planning to implement **The National Clinical Trials Governance Framework**. This framework supports the integration of clinical trial service provision into routine hospital care, ensures that clinical trials are conducted in a **safe environment** and in a **high-quality manner**, and ultimately promotes **improved outcomes for patients and the community**. These improvements would also assist in maintaining the **'destination of choice' reputation** that Australia currently benefits from.<sup>4</sup>

**2**

### R&D tax incentives.

R&D tax incentives are also important to support greater investment in clinical trials. Australia's international competitors have a range of incentives in place to attract investment into medical research, including **grants**, **loans** and **tax credits**. The **pharmaceutical industry** has been identified by the Government as being a **growth area** for our economy, therefore introducing a loan system rather than grants could help provide a **greater incentive** for companies to invest in the industry.



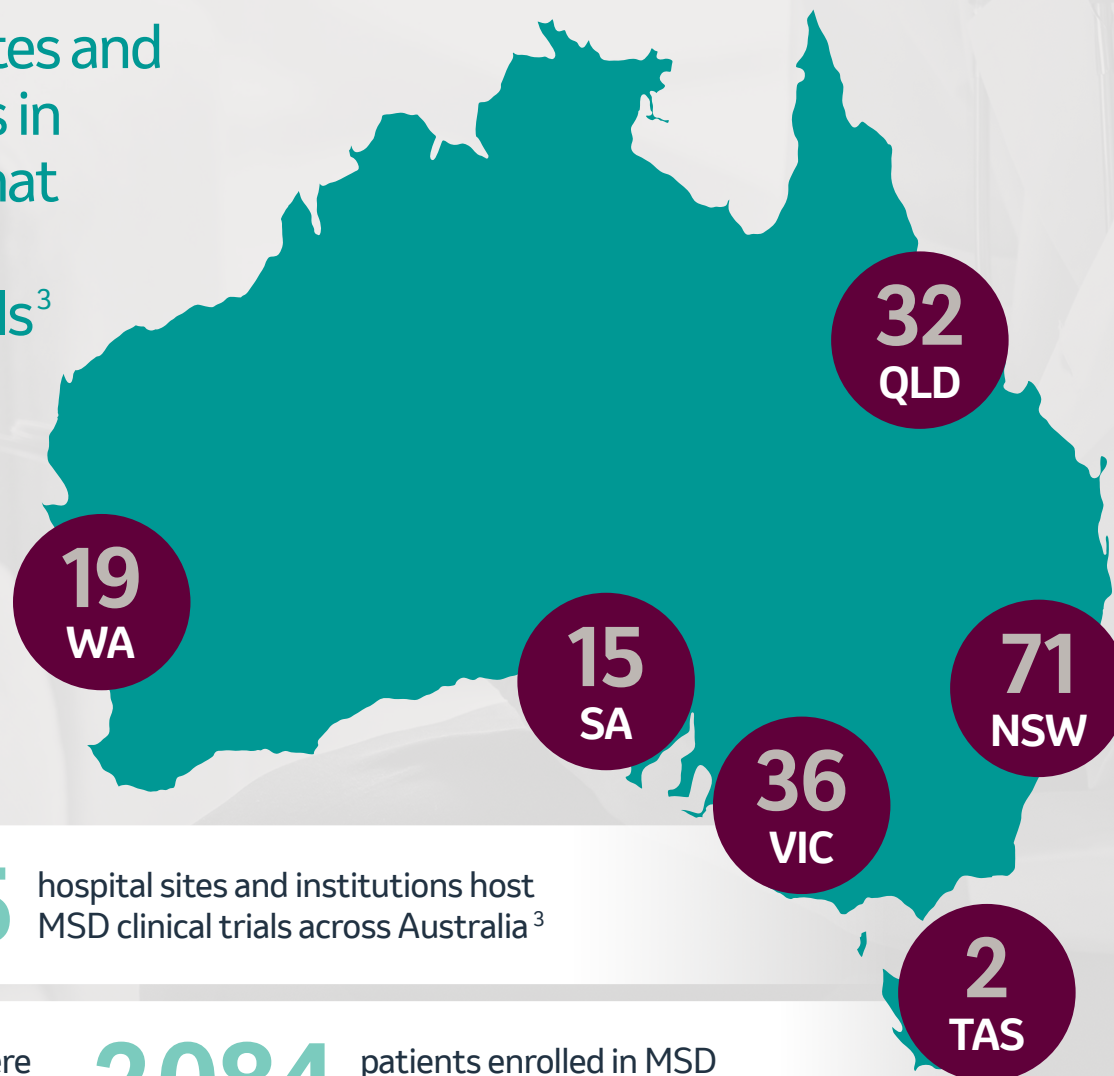
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## Hospital Sites and Institutions in Australia that host MSD Clinical Trials<sup>3</sup>



**175** hospital sites and institutions host  
MSD clinical trials across Australia<sup>3</sup>



There were  
approximately **2,084** patients enrolled in MSD  
clinical trials in August 2019<sup>3</sup>



<sup>3</sup>. MSD data on file.

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