

# Eli Lilly case study essay sample

[Countries](#), [India](#)



1) Did Eli Lilly pursue the right strategy to enter the Indian market? It was a right strategy for Eli Lilly that started a joint venture with Ranbaxy to enter the Indian market. First of all, Ranbaxy was the second largest pharmaceutical company that manufactures bulk drugs and generic drugs in India, with a domestic market share of 15 per cent. It had established broad distribution network, and it was the second largest exporter of all products in India. Ranbaxy's capital costs were 50 per cent to 75 per cent lower than those of comparable U. S. plants. Second, the timing was perfect for Eli Lilly to enter the Indian market. During 1970s, the Patents Act 1970 and the Drug Price Control Order (DPCO) was issued. And India was opening its drug market. Third, there was possibility to conduct cheap clinical trials in India.

2) Considering the evolution of the JV, evaluate the challenges that JV leaders faced in each phase. Andrew Mascarenhas was the first managing director of the joint venture. He created the JV's team, positioned the JV in the market, set its operations developing the marketing strategy. Challenges he faced were hiring sales force and recruiting doctors and financial staff. He trained them on the company's value, philosophy and code ethical conduct. The JV reached break-even and was becoming profitable at the end of his managing time. Chris Shaw built systems and processes to bring stability to the fast growing organization. Rajiv Gulati enlarged the staff to correspond the growing company and created a medical and regulatory unit to handle the product approval processes with the government.

3) How would you assess the overall performance of the JV? What did the partners learn from the experience? I think overall the JV has a good performance. The JV was profitable for the both parties. Eli Lilly got benefits

from acquiring low-cost sources and clinical trials, possibility to export to Russia, presence on the Indian market.