



World Eye Reports

Taiwan

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New administration looks to reinforce Taiwan-Japan business ties

With the inauguration of Taiwan's new administration on May 20, Taiwan looks forward to a renewed economic drive and direction. On that day, Tsai Ing-wen, a 59-year-old scholar-turned-politician who taught international trade law for 16 years officially became Taiwan's first female president.

"Taiwan's position in the world is premised on keeping our international relations strong and vibrant," said Tsai in a major foreign policy speech last year. "This is the foundation of what keeps Taiwan secure; and it is vital to our efforts to diversify our economy. One of our priorities is to strengthen our partnerships with the U.S., Japan and other like-minded democracies from around the world."

Over the years, Japan and Taiwan have always cultivated economic and cultural bilateral ties. Both share deep historical roots with one another, forming a logical partnership for both social and geopolitical reasons.

Japan already serves as Taiwan's second-largest inbound tourism market, with numbers expected to continuously rise. In return, a significant number of Taiwanese have favorable opinions of their Japanese business counterparts, and their regional interests are well-aligned as well.



Tsai Ing-wen, Taiwan's first female President

With historic milestones such as the Economic Cooperation Framework Agreement (ECFA) signed between Taiwan and Japan in 2010, Japanese and Taiwanese businesses have successfully entered into a variety of partnerships and cross-border strategic alliances. This triangular cooperation model also allows Japanese firms to partner with Taiwan to facilitate business with China.

Taiwan has established itself as a technological powerhouse, empowering its SMEs to export their products on a global scale. With an emphasis on the OEM (original equipment manufacturer) and

ODM (original design manufacturer) models of production, Taiwanese companies are able to focus primarily on investment, production and the marketing of new products while incorporating more advanced technologies from overseas.

Taiwan's semiconductor industry remains a key component of its economy, with its strong capabilities in OEM wafer manufacturing that distinguish Taiwanese manufacturers from its global competitors.

It also prides itself on a strong electronics manufacturing industry that has continued to play a large role in the worldwide market. It is

a sector continuously bolstered by dedication to R&D aimed at security and speed enhancements.

Companies in the pharmaceutical and biotechnology industries here have also started to reap significant benefits from their initial investments in product innovation. With government support and technical collaborations with Taiwanese academic institutes, various firms have become technological pioneers. Their latest initiatives are directed at producing unique and scalable drugs to treat unmet global medical needs.

Tsai's "friendship tour" visit to Tokyo last October was a strong symbol of the importance the new government places on relations between Taiwan and Japan. "It's in our national interest to have strong and healthy relationships here by expanding our economic and cultural ties and engage in dialogue on regional security and economic integration such as joining the TPP (Trans-Pacific Partnership)," Tsai said.

With Taiwan's future at stake, Tsai emphasized: "These new initiatives will help rebrand and reshape our international image as a country that can play a positive and dynamic role in the 21st century. They will form an important part of our efforts to build confidence and earn respect from the international community." ◆

Biomaterials become safer than ever

With a recently acquired manufacturing facility, Kaohsiung-based Acro Biomedical seeks to break boundaries within Taiwan's biotechnology industry. "In collaboration with the Animal Technology Laboratories of Taiwan's Agricultural Technology Research Institute, our company has started to develop medical-grade regenerative biomaterials derived from SPF (specific-pathogen-free) pigs," said Dr. Dar-Jen Hsieh, the company's CEO.

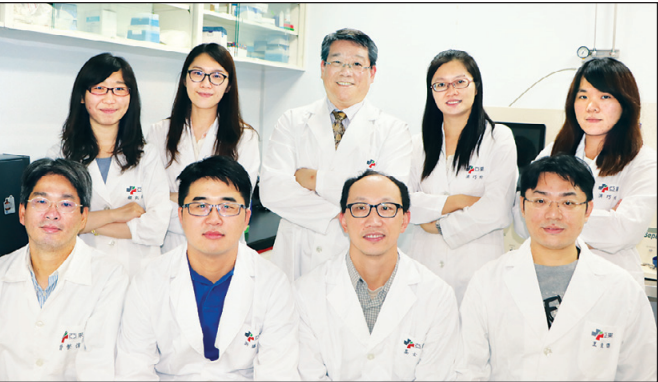
"Since our products are derived from porcine sources, there is a very low risk of TSE (transmissible spongiform encephalopathies)," he emphasized. "All tissue materials, which come in scalable supply, have full regulatory compliance and traceability upon receipt into Acro Biomedical facilities."

Worldwide, the increase in the aging population in developed countries is driving growth in regenerative medicine. ACRO's nov-

el tissue processing technology is aimed at fulfilling this market need, using the SPF pig material to produce a series of safe and reliable tissue repair products under the brand name ABColla. Chief among the products currently under development by the company are dermal fillers and corneal transplants.

"In 2016, our first product, the collagen matrix, is going to be approved by the TFDA and licensed. This product is focused on wound healing, can be applied via spray and will be released under the pet care sector as well," said Hsieh. "We then plan to secure international FDA approvals and look to distribute internationally."

With regard to treating injuries and diseases of the cornea, he explains another focal point: "Around 10 million people in the world are currently blind because of corneal injury. These people are waiting for transplants, but there is a vast shortage of cornea donations around the



ACRO CEO, Dr. Dar-Jen Hsieh and R&D team members

world." Cornea grafts under development at ACRO can be used as cornea repair patches and, potentially, as transplantable artificial corneas. Original animal cells on the cornea have been removed to prevent graft rejection, but the acellular cornea retains the natural collagen scaffold — making it an ideal matrix for

corneal cell attachment. Currently, animal studies are being carried out in collaboration with researchers at a major university to evaluate the safety and performance of the prototype. "Once approved, we plan to donate 5,000 free corneas immediately for people in need from third-world countries," Hsieh said. ◆ www.acrobiomedical.com



Medical devices for animal healthcare, including wound care, orthopedic, osteoarthritis, general surgery and cornea repair

New plant sets foundation for growth

Winning consecutive international trade awards six years in a row given out by Taiwan's Ministry of Economic Affairs, Siliconware Precision Industries (SPIL) prides itself on being the world's third-largest IC packaging and testing service provider.

"Our firm has experienced steady growth since 2008 as an independent contractor, providing services and support for fabless design houses (who outsource the actual fabrication of semiconductors), integrated device manufacturers and wafer foundries globally," said Bough Lin, chairman of SPIL.

Lin believes in the importance of quality management as one of the key competitive advantages of SPIL. "Quality management leads to customer satisfaction," he said. "In order to provide the best quality, we invest around 4 to 5 percent of our revenue in R&D on an annual basis."

There has also been a continuous effort to achieve cost-efficiency in recent years. Lin explained: "One of our recent innovations is shifting from gold to copper wire, greatly reducing raw material costs while providing acceptable client standards. This transition is a big step for our firm, as gold represented a large percentage of our sales revenue in the past."



SPIL's latest fabrication plant in Central Taiwan Science Park, providing a huge avenue for production capacity and inbound investment



Bough Lin, Chairman of Siliconware Precision Industries (SPIL)

SPIL has just acquired its latest fabrication plant in Central Taiwan Science Park, Taichung, with the aim of significantly increasing its capacity and enhancing its technological abilities.

"This is the biggest fabrication plant that we have ever bought, which will represent SPIL's future and provide production capacity for the next three to five years," Lin explained. "This will be a huge avenue for inbound investment, advanced products and packaging devices — including wafer bumping, Flip Chip, Turn-Key solutions, Fan Out WLP and 2.5/3D — for which we have attained our latest ISO15408 certification."

"We are also doing continuous investment in IC level advanced SiP (System in Package) to capture the next wave of growth — with applications in the 'Internet of Things' (IoT) and automotive," he continued. "SPIL has proven itself to be a trusted partner to its clients, as well as its shareholders today and will continue to do so in the years to come." ◆ www.spil.com.tw

The ideal pharma partner for Taiwan, mainland China and Southeast Asia

Pharmaceutical companies searching for a partner for the Taiwanese, mainland Chinese and Southeast Asian markets have an ideal fit in Orient EuroPharma (OEP). This Taiwanese pharma group founded in 1982 by Peter Tsai has grown from distributing medicines locally for a multinational pharmaceutical company to its current position as one of the country's few multinationals able to integrate R&D work, clinical trials and manufacturing in Taiwan and marketing drugs through established networks in Taiwan, China and Southeast Asia.

"We're actively open to partnerships with Japanese companies," said Tsai, OEP's chairman and CEO. "Through the years, we've found them to be systematic, honest and trustworthy." To date, OEP has worked with such Japanese companies as Kissei, Sansho, NanoCarrier, Toray and Ajinomoto.

"The Japanese often have the R&D, but not necessarily the factories," he continued. "That's where we can cooperate. We can manufacture for them, and we can also take care of distribution in Southeast Asia, where we have key subsidiaries." OEP, through its subsidiary



Peter Tsai, Chairman and CEO of Orient EuroPharma (OEP)

and manufacturing arm Orient PHARMA (OP), has a state-of-the-art plant in Hwuei, Yunlin in west central Taiwan, for which it has introduced patent-protected technology from overseas and obtained certifications from Japan, the US and the EU to enter global markets.

"We also entered the mainland Chinese market well," Tsai explains. "Two years ago, we brought our transdermal patch technology to Beijing Tide Pharmaceutical to jointly develop treatments for dementia for the Chinese and global market."

In the pharma world, OEP is known for its focus on anticancer drugs. Its R&D centers, manufacturing plants and clinical

studies programs have met the approval of Japan's Pharmaceuticals and Medical Devices Agency (PMDA), the U.S. Food and Drug Administration (FDA) and the Taiwan Food and Drug Administration (TFDA).

Key drugs in development include: Micelplatin, developed with NanoCarrier to treat pancreatic cancer, and the Taiwan, Singapore, Malaysia and Philippines Phase III clinical trials for Multikine, an immunotherapy drug for head and neck cancer, developed with U.S.-based Cel-Sci.

Tsai is looking forward to expansion plans for OEP deeper into mainland China, and into Australia and New Zealand as well. "When I founded this company, my intention was to dedicate the rest of my life to this work," he recalled.

Under his management, OEP continues to search for partnerships and licensing opportunities, as it hones its growing research and manufacturing capabilities in Taiwan and experience and success in Asian markets. ◆

友聲生技藥業股份有限公司
Orient EuroPharma Co., Ltd.

www.oep.com.tw/en-global

Using science to maintain the essence of life

Founded in 2003, PharmaEssentia has grown to become a full service pharmaceutical company — with an R&D team in Taipei, a manufacturing plant in Taichung, an overseas office in the U.S. and a Chinese subsidiary in Beijing.

Through its novel PEGylation process — which involves pioneering technology in protein engineering for site-specific drugs, particularly in the treatment of hepatitis — the company has most recently developed its flagship product, P1101.

PharmaEssentia's P1101 is a third-generation alpha-interferon compound used for broad indications, including the treatment of myeloproliferative neoplasia or MPN (such as polycythemia vera or PV), hepatitis B and C.

Unlike current oral medications, which attack the viruses during a treatment period that takes about three months of daily consumption, P1101 interferon boosts the immune system while shortening treatment (in the case of hepatitis C).

"We are working on this pioneering method, and its registration process will begin by the end of this year," said the company



Ko-Chung Lin, Founder and CEO of PharmaEssentia

founder and CEO, Ko-Chung Lin. In 2009, PharmaEssentia granted exclusive license for P1101 to its Austrian partner, AOP Orphan Pharmaceuticals AG, for the treatment of MPNs, with authorized territories covering Central Europe, the Middle East and CIS.

PharmaEssentia sponsored the first MPN Asia Symposium, inviting esteemed experts from around the world. Given its success, the second MPN Asia Symposium will be held in Tokyo on April 1, 2017.

He continues to focus on Japan as a unique market, and is looking for Japanese partners to introduce PharmaEssentia's products to the country. ◆ www.pharmaessentia.com

Research and innovation: Ideal formula for success

Established in 1960 as a generic drug manufacturer and distributor, TTY Biopharm today is a leading large-scale producer of liposome and microsphere injections.

Its three major manufacturing plants in Chungli, Liou-du and Neihu across the island are certified for the production of oncology and other drugs by the Taiwan Food and Drug Administration, Japan's Pharmaceutical and Medical Devices Agency, the European Medicine Agency and the U.S. Food and Drug Administration.

"Constant innovation is one of our core values, so the company is highly R&D-oriented," said Hsiao Ying-Chun, chairman of TTY Biopharm. "Our main concentration is on new formulations and new drug development."

Currently, the company is focusing on cancer treatment and critical infections. In this respect, TTY Biopharm is developing four generic drugs with high potential: LDIA09 (liposomal doxorubicin)



TTY Biopharm's plant in Liou-Du

to treat cancer; LAIA98 (liposomal amphotericin B) for fungal infections; leuprolide for prostate cancer, endometriosis and uterine fibroids; and risperidone for psychiatric conditions.

With a marketing team that covers over 30 major cities in Taiwan, mainland China and Southeast Asia, where it has already secured more than 80 drug licenses, TTY Biopharm is using its expertise in

these markets to further strengthen its position in the Asia-Pacific region. "We are eager to expand our product portfolio," added Hsiao.

"We are looking for Japanese partners to co-develop new products for the global market," he continued. "With our international marketing network, we are the perfect gateway to China and Southeast Asia." ◆ www.tty.com.tw

Local footing, global presence

Sino-Japan Chemical (SJC), the Taiwan-based subsidiary of Japan's Nippon Shokubai, celebrates its 46th year in robust fashion as it remains the country's largest surfactant manufacturer. It also prides itself on having one of the widest surfactant product ranges offered in Asia.

To stay globally competitive, SJC's President Tatsuhiko Matsuda understands the level of performance and quality required. "Since I've been the president of this company, I've always emphasized the manufacturing of high-performance products," he said. "Our competitive advantage takes off from our strong technical services and direct cooperation with our users. We have always focused on hiring top talent as well."

As a result, SJC invests heavily on product research, development and protection. "We invest three percent of our total income in R&D, and more than 10 percent of our manpower is dedicated to this de-



Tatsuhiko Matsuda, President of Sino-Japan Chemical (SJC)

partment," he said. "We've secured patents in Taiwan, mainland China and Japan. This is crucial, as securing patents is essential to remaining competitive in the global market."

Matsuda believes not just in supplying based on market demand, but also in accurately forecasting how that demand will change. "We produce commodity chemicals for current demand, but we are also preparing to change in the near future to

higher performance chemicals," he noted.

"One of our most recent developments is the reactive surfactant, currently widely used in resin manufacturing in Japan and the U.S.," Matsuda explained. "Demand for this is expected to grow consistently in many Asian countries, especially in the large Chinese market. In fact, we are now studying an innovative new production method by assembling a network of micro-reactors in order to speed up the manufacturing process. This revolutionary method can move us from traditional batch production to a continuous output of product. This will strongly increase our product quality and our efficiency."

As SJC expands its international horizon, it further positions Taiwan as the best gateway into mainland China for Japanese firms. "Japanese companies should cooperate with Taiwanese companies and reach out to the Chinese and Southeast Asian markets," he concluded. ◆ www.sjc.com.tw





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