

Novo Nordisk spends big in France to expand obesity drug capacity

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Some say the weight-loss drugs market could grow to \$100 billion by 2030.

Danish pharmaceutical giant Novo Nordisk on Thursday announced a major investment in a French production site to expand capacity including for a blockbuster anti-obesity drug.

In a deal sealed officially with President Emmanuel Macron, Novo Nordisk said it will invest more than 15 billion Danish kroner (\$2.3 billion) in an existing facility in Chartres, southwest of Paris.

The investment "will significantly increase the capacity of the manufacturing site" to meet demand for "innovative medicines", the company said.

Novo Nordisk is the European Union's most valuable company with a [market capitalization](#) of around \$460 billion, mostly thanks to growing use of its anti-diabetes drugs as weight-loss derivatives.

The Danish company has found that its Semaglutide medication, originally meant for diabetes, is also effective against obesity, giving it massive global potential.

Marketed as Wegovy in the United States, Denmark, Norway and Germany, the drug helps chronically overweight patients by stimulating insulin secretion and acting as an appetite suppressant.

Goldman Sachs, a financial firm, predicted last month that the [global market](#) for anti-obesity medication (AOM) could grow to \$100 billion by 2030, against around six billion now.

Obesity rates have almost tripled around the world since 1975, and are set to rise further, it said.

In the United States alone, 15 million adults were likely to receive anti-obesity treatment by 2030, Goldman said, identifying Novo Nordisk, and rival Eli Lilly, as the world's two dominant AOM makers by then.



Macron has been pro-active in drumming up foreign investment in France.

Novo Nordisk will double the size of its French site, adding 500 jobs to the 1,600 already there. The investments mostly concern the production of diabetes drugs, cartridges and vials, it said, with a 2028 target date for completion.

Novo Nordisk already said this month it was investing 42 billion Danish kroner to expand its facilities in Denmark.

The French presidency credited Macron's drive to attract foreign industrial investment to France for the Novo deal.

"This is one of the biggest industrial investments for our country this year," Macron said after touring the site.

Such investments were "at the heart of the industrial and health sector sovereignty that we seek", he said.

The Novo Nordisk [deal](#) follows a 6.7-billion-euro (\$7.3 billion) pledge for the production and recycling of electric batteries by Asian firms.

An investment of 500 million euros by US pharma company Pfizer was announced in May during a "Choose France" [investment](#) conference hosted by Macron.

Stung by recent drugs shortages in France, including for basic antibiotics and pain medicine paracetamol, the government has been keen to bring pharmaceutical production back to the country.

Novo Nordisk said it hopes to win full regulatory approval to sell Wegovy as an anti-obesity [drug](#) in France next year.

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