Jérôme Cabannes – CEO, SPIMACO



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16.04.2024

Tags: Saudi Arabia, SPIMACO, Generics, Manufacturing, M&A

Newly-appointed SPIMACO CEO Jérôme Cabannes outlines the ongoing transformation and growth of SPIMACO, focusing on leveraging existing assets while expanding through partnerships, new technologies, and market diversification. He highlights the company's shift towards more complex products, such as biosimilars, and how its international acquisitions align with Saudi Arabia's Vision 2030 and National Biotech Strategy.

Could you please outline the mandate you were given on becoming CEO of SPIMACO earlier this year?

My mandate is clear: to drive the transformation and growth of SPIMACO, both within and outside Saudi Arabia. This entails leveraging our existing portfolio while also exploring new opportunities for innovation in our industry. For instance, we're proud of our ability to co-develop a product with a local university, leading to patentable innovation.

Additionally, our partnerships with multinational companies allow us to offer a platform for contract manufacturing (CMO), aligning perfectly with the Kingdom of Saudi Arabia's Vision 2030 focusing on local content and product localization. One notable achievement is the launch of the first biosimilar manufactured in Saudi, marking a significant step forward in introducing advanced technologies to the country. With a robust quality system in place, we're poised to embrace and excel in new technologies and innovations.

Can you elaborate on your approach during the first 100 days as acting CEO, particularly regarding your focus on partnerships, technological advancements, and market expansion?

Upon assuming the role, my priority was to accelerate our pace of action to align with the dynamic market demands. We swiftly strengthened our partnerships by securing agreements for cutting-edge technologies, aligning with Saudi Arabia's National Biotech Strategy for product localization, particularly in vaccines and biosimilars development.

Simultaneously, we've expanded our international outreach, adapting our market access strategies and replicating successful models from other regions like Morocco, Algeria, and Egypt. Furthermore, we're actively pursuing opportunities for inorganic growth to consolidate our regional presence. These actions collectively reflect our commitment to driving growth and innovation within the organization.

How do you plan to maintain your leading position in the market and the region while exploring new avenues, considering the substantial growth and partnerships you've recently initiated?

SPIMACO already holds a prominent position in terms of manufacturing volume in Saudi Arabia, producing billions of tablets and other dosage forms annually with expanded capacity complying to stringent quality standards established by the Saudi FDA. This robust foundation enables us to swiftly respond to market demands and maintain our leadership. However, we don't rest on our laurels; competition drives us to continuously innovate and enrich our portfolio, especially with specialized products tailored to penetrate government markets effectively. We're proactive in exploring diverse business models to adapt to varying market access needs across different countries, all while prioritizing regulatory compliance and market timelines.

Transitioning from generics to biosimilars and more complex products requires significant investment and expertise. Can you share your approach to this shift, considering the operational challenges and changes needed within the company?

It’s a significant transition, but we’ve been preparing for this over the last few years. Before taking on my current role, I focused on optimizing operations within the company, implementing operational excellence practices that have driven double-digit growth in production volumes. This ongoing process has laid a strong foundation for us to tackle more complex products. We have a talented and experienced team in place, with a focus on diversity and gender parity, which brings valuable perspectives to our operations. This shift not only impacts our product portfolio but also transforms the entire company culture, which is essential for our future growth and success.

With initiatives like Vision 2030 and the recent biotech strategy, how does SPIMACO perceive its role in achieving these goals, both regionally and internationally?

In line with Vision 2030, SPIMACO has set the immediate goal of strengthening its leadership position regionally and extending it internationally in the short to medium term. We are enhancing our capabilities across different business segments, including both small molecules and biotechnology, leveraging new technologies and partnerships. For instance, our recent acquisition in Europe will introduce new delivery platforms, enabling us to be more responsive in the market.

Regarding the biotech strategy, we have already anticipated its importance and are developing a comprehensive plan to establish a strong base for biotech manufacturing locally. Our aim is to ensure profitability for each entity created, thereby benefiting both our company and the region as a whole. We have a robust portfolio of molecules (30-40) ready for local manufacturing, with strategic partnerships to support our initiatives.

You mentioned diversification in the portfolio. Could you elaborate on the areas or types of investments you’re looking into?

Diversifying our portfolio is crucial, and we’re particularly focused on addressing prevalent health issues in the region. Diseases like diabetes, vascular conditions, and central nervous system disorders are among our priorities. We’re exploring various formulations, including immediate-release and modified-release products, aiming to enhance treatment efficacy and patient compliance. Additionally, we’re delving into bio-products for prevention and treatment, with plans to unveil exciting developments in this area soon.

Could you provide insights into your international strategy and expansion plans for SPIMACO? How do you approach development in new markets?

Our international expansion is a key pillar of our development strategy. We firmly believe in the quality of SPIMACO ‘s products and see significant potential outside of the region. Over the past few months, we’ve made substantial progress in establishing new partnerships and projects in several countries within the region. Our approach varies depending on the market, whether it’s shipping products, forming local partnerships, or setting up manufacturing facilities.

We’re open to different collaboration models to raise SPIMACO’s profile beyond Saudi borders. Our strategy includes focusing on markets in Africa, particularly in Egypt, Morocco, and Algeria, with plans to expand further into French-speaking Africa. Agility is essential in our industry, as each market presents unique challenges and opportunities. We prioritize swift action and adaptability to ensure our success in international markets.

Can you elaborate on SPIMACO’s approach to finding the right partners?

SPIMACO has long embraced a spirit of collaboration, establishing itself as a key partner for multinational companies. Leveraging our expertise in manufacturing, we prioritize efficient processes and quick decision-making when identifying potential partners. Our focus is on accelerating development by leveraging existing capabilities and expertise. With a keen eye on Saudi Arabia’s Vision 2030 and the National Biotech Strategy, we ensure comprehensive collaboration, from product importation to full manufacturing processes. This not only secures supply but also enhances the country’s resilience in product supply. Our approach emphasizes long-term partnerships with like-minded collaborators who share our commitment to progress and innovation.

How does SPIMACO prioritize Saudization, diversity, and inclusion within its workforce, and what specific plans are in place for fostering expertise and knowledge transfer?

At SPIMACO, we recognize that collaboration is essential, especially in alignment with Vision 2030. Central to our approach is fostering a culture of unity, drawing parallels with the teamwork ethos of sports like rugby. While Saudization is a priority, we ensure a balance by valuing the expertise brought in by external talent to enrich our workforce. Our mosaic of employees reflects a diverse mix, and we invest in their growth through initiatives like the SPIMACO Academy, providing regular

training and skill development opportunities. Moreover, our commitment to excellence extends to continuous training sessions at our manufacturing plants, ensuring proficiency in quality standards across all sites. This holistic approach is integral to nurturing a culture of excellence within SPIMACO.

Reflecting on your diverse international career spanning multiple continents and roles, what key lessons or experiences have you leveraged the most in your current position at SPIMACO that you would like to share?

One crucial lesson I've learned is to never assume you know, but instead approach each new opportunity with an open mind. Embracing diversity of thought and perspective has been paramount for me. Growing up in Africa as a French expatriate, I encountered situations vastly different from my own upbringing, which taught me the value of listening and understanding others. This capacity to embrace differences has been invaluable in navigating various cultures and environments throughout my career, and it remains a cornerstone of my approach at SPIMACO.

Looking ahead over the next two to four years, what are the key objectives or initiatives that you aim to achieve at SPIMACO, both in terms of market leadership and broader contributions to the vision of the kingdom?

Over the next few years, our primary focus will be on maintaining our leadership position in the Saudi market while also expanding our reach beyond borders. We aim to establish our reputation for quality and innovation in neighboring regions, contributing to the vision of the kingdom by enhancing resilience and security in drug supply. Additionally, we are committed to facilitating knowledge transfer and fostering local manufacturing capabilities to support long-term growth and sustainability.

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