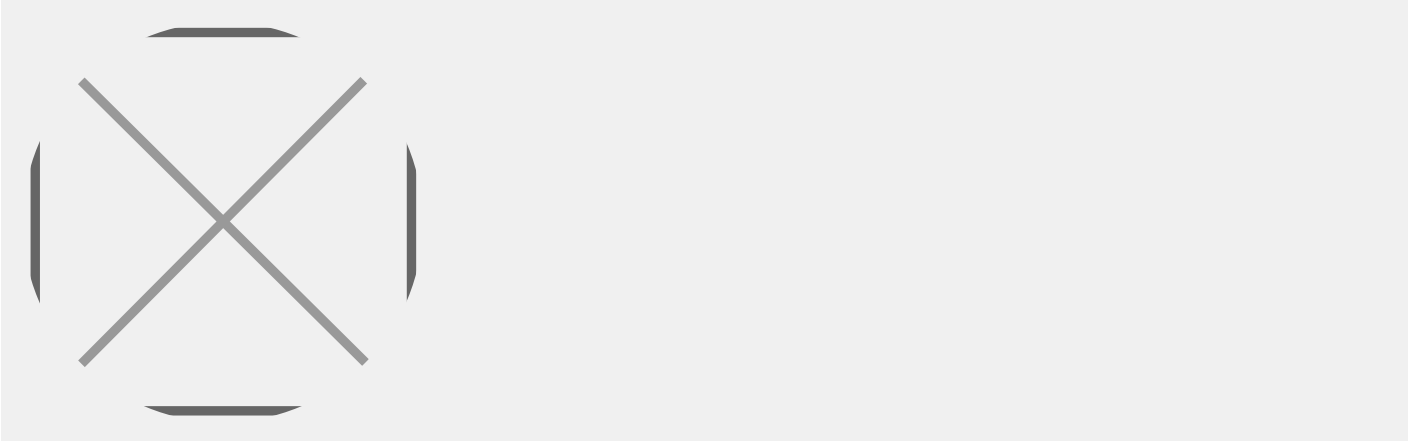
Interview: Bassem Abdallah, Country Division Head of Gulf States, Bayer Healthcare, UAE



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Bassam Abdallah, Country Division Head of Bayer Healthcare, speaks about the UAE's economic diversification evolution, how healthcare is the leading segment in this process, and what Bayer's strategy is to keep up with the regions changing disease portfolio.

In many ways the UAE is becoming a model for other countries in the region in the development of its healthcare system. What are the main trends that Bayer is witnessing in the way pharmaceuticals are evolving in this market?

What we are witnessing in the UAE is a general move to diversify the country's economy beyond oil revenues. As part of this evolution, healthcare has been identified as a priority segment within which the government is investing heavily. This includes the construction of new hospitals, the updating of the regulatory environment, as well as setting in place business incentives for healthcare companies to enter the market, such as through free trade zones like Dubai Healthcare City and Dubiotech.

Bayer Healthcare has become an active participant of this transformation by establishing itself as an essential partner of the UAE healthcare authorities. For example, we opened the first men's health clinic in collaboration with the government, as a means to raise awareness about health issues specific to men that were typically overlooked. This was the first such clinic in the region. We also supported a stroke awareness campaign in collaboration with the health authorities of Abu

Dhabi. Finally, Bayer led a women's health campaign to target endometriosis, a disease that is rarely discussed.

Overall, these successful collaborations with UAE authorities are proof of our success to become key partners for the national healthcare system. Furthermore, it demonstrates that their goals are in parallel to our strategy as a company, which ultimately comes down to providing better options and lives to patients.

In line with this strategy, what are the therapeutic areas that you are focusing on in this region and how are they driving the evolution of your product portfolio?

Our product portfolio is divided into three main business units: specialty, primary care and women's health. The specialty unit is our focus at the moment as it is the unit with the largest amount of planned product launches for the coming years. This segment includes therapeutic areas such as ophthalmology, cancer, CNS (multiple sclerosis) and hemophilia. The primary care segment includes our anti-infective product line, men's health and cardiovascular drugs. In terms of sales, this is currently our strongest unit, however, we foresee that it will be overtaken by specialty products in the future. Finally, the women's health unit includes our range of oral contraceptives, as well our new product for endometriosis, Visanne (Dienogest), which was launched only a few months ago. This is one of the very unique products that we are proud of bringing to the region in order to improve the lives of women suffering from this disease, which can be extremely painful and even cause infertility.

Considering that many of your products are related to the sexual lives of men and women, such as for erectile dysfunction and contraception, is there any religious or cultural stigma for such products in this part of the world?

This would seem like a challenge for us, but the reality is that Bayer has been selling these products in the region since the 1960s. Our contraceptives are by far the most popular in the Gulf region, with almost 85 percent market share, and we do not notice any sort of social stigma as a challenge to provide these products to the local population.

This is also the case for our erectile dysfunction product, Levitra, which is widely popular amongst men. Our approach to this product is entirely medical and scientific, and in fact we stress the fact that this is not to be used for recreational purposes. At the end of the day erectile dysfunction is also related to cardiovascular conditions and this is what we like to communicate to doctors and patients. Due to this we have been very successful in our marketing campaigns, because we have always taken a very professional and medical approach to such products.

Bayer has a legacy of being one of the oldest and well-established companies in emerging markets around the world. How has the company been performing in this region of the world over the last few years?

The Gulf region represents 23 percent of the Middle East's total revenue and we have been growing very well over the past few years. Surely we were experiencing much higher growth 10 years ago when this market was just taking off, but as the market matures, we have been seeing the growth rates stabilize closer to the market average of 7 percent. Nevertheless, we are still experiencing double-digit growth around 10-12 percent every year and wish to maintain above-average growth as part of our core strategy.

Overall, emerging markets are an essential part of the company's global strategy, representing 33 percent of Bayer's global revenues. Within this strategy, the Middle East and Gulf regions have the full attention of our upper management. Due to this, the Gulf region is always one of the first to introduce new products because the authorities in these countries are very supportive and proactive in bringing new medicines to the population. Typically it takes us three to six months after receiving global approval to introduce a product in the Gulf markets, which is much faster than many other emerging markets. This provides us with a slight advantage over the rest of the Middle Eastern markets, which naturally have the advantage of being much larger.

Furthermore, prices for medicines in the Gulf region are generally higher than other markets in the Middle East, such as Saudi Arabia. However, at Bayer we have established a policy of referencing prices across the entire region. Eventually there might be some variations in the final price to consumers, but this is due to markups imposed by agents and distributors, which of course vary from country to country. Currently there are efforts to unify prices across all the GCC countries, including Saudi Arabia, with the aim of protecting the final consumer.

Beyond pricing, one of the major challenges in this region is the shifting disease profiles with a rapid increase of cardiovascular diseases and diabetes. What is Bayer doing in order to curb these diseases that are largely preventable?

Bayer has one of the largest lines of glucose meters that are essential for diabetes patients to monitor their glucose levels in order to adequately manage the disease. Beyond this, we also have a very well established product to treat diabetes, Glucobay, which has been proven very effective against Type 2 diabetes and even pre-diabetes. Finally, the rest of our innovative products, such as for cardiovascular diseases, are also effective in combating these ailments that are commonly associated with diabetes. In this way we have a direct impact over the lives of patients with

diabetes, while indirectly also providing medicines for other related diseases.

Bayer is looking at Venous Atrial Thromboembolism (VAT), which is caused when a clot becomes loose and is moved by the blood stream to obstruct another vessel. This can result in damage to vital organs, because the tissue beyond the blockage no longer receives nutrients and oxygen. Our novel oral anticoagulant Xarelto (Rivaroxaban) holds the promise of overcoming the limitations of traditional anticoagulants to prevent and treat VAT with wide breadth of indications.

Speaking about unique media campaigns, Bayer around the world is typically at the forefront of e-health initiatives. How are you moving into a digitalized approach to healthcare here in the Gulf?

This is probably one of the regions where such initiatives are most effective when estimates claim that there are 2.3 cell phones per capita in countries like the UAE. Since last year we have converted our entire product detailing into digital format and have stopped printing such material. Occasionally, we still use some flyers but in general most of the information that we transmit to physicians is now digital and is presented to them on ipads with specially designed apps that we have created for our products.

We have also created apps for the general population, such as for multiple sclerosis patients, that serve as a communication platform between patients, doctors and nurses. This application is entirely free and is not related to our products in any way, but is simply a unique way of raising awareness and improving the lives of patients that live with this disease. As a public service we have made this application available for Apple and Android users.

This year marks Bayer's 150th anniversary. How will you be celebrating here in the Gulf region?

We have great plans for this celebration, including internal activities for our employees and their families and also events for the wider public. The main public event will be an interactive anniversary exhibition in one of the big malls in Dubai. The exhibits include microscopes, thermal imaging cameras, digital games and many more, and are designed specifically to be touched and tried out. The concept of the exhibition combines entertaining elements with educational ones to encourage visitors to interact with the displays. The exhibition will feature displays on the topics of health care, agriculture and high-quality materials.

Personally, what would you like to celebrate on the 155th anniversary of the company?

I would be very happy to celebrate a doubling of our current turnover by then. We managed to do that in the last four years, so I am sure we can do it once again. Furthermore, I would like to make sure that our entire portfolio is available in this region of the world as this would provide me with great satisfaction.

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