BR Shetty – CEO, Neopharma, UAE



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BR Shetty, CEO of NMC Health, talks about the importance of fostering local talent—one of the biggest challenges of the region— building a company in the UAE, and where he sees the future of the company going.

What did the progression and evolution of NMC Health look like, from the one-room clinic that it originally was to the great empire that it is today?

I came to this country exactly 40 years ago in 1973, with just a blessing from my mother. “Where ever you go my son, be good to people around you,” she said. I remember watching black and white TV and seeing his Highness, Sheikh Zayed bin Sultan Al Nahyan, the father of the nation. Every time he spoke, people were watching and standing transfixed. One of the things I concluded from his speeches was that he was committed to establishing quality healthcare for all at an affordable cost. So keeping these two things in mind—people and service— I became the first outdoor salesman in the country and that’s how the idea behind NMC Health was born. I first started a private medical center, which was half house and half office. It was separated into a dental clinic, a pathology laboratory, and a pharmacy below.

This is how I also started my wholesale pharmaceutical division. I took some agencies (which at the time was still possible) and went to the market. The concept of going out and selling was non-existent, so I began by scientifically promoting the product to doctors. Back then the warehouses

didn’t have proper storage of medicines and therefore they also sometimes carried defective stock. I practically revolutionized the system and made sure that everything was sold in a systematic way, on a first come first serve basis, with a proper expiry date, and this made a very good impact on the market. Given that we didn’t have manpower at that time, I personally lifted the cartons and delivered the goods to doctors’ doorsteps, supermarkets, and other pharmacies. To this day I am still reaping that goodwill.

Having a pharmacist background, I realized that with wholesale agencies and retail pharmacies, I could also integrate pharmaceutical manufacturing. This was my aim, and it finally was achieved with Neopharma Pharmaceuticals. The factory was inaugurated in 2003 by Dr. Abdul Kalam, a scientist, who was also the president of India at the time. When he saw the facilities he asked what my market was, when I said the Middle East he simply replied: “No, you should go global.” Those were his golden words and I’ve valued all the blessings I received.

As of today, we are doing extremely well and we are the best generic pharmacy company in the region. We have partnerships with Hetero Pharmaceuticals and Biocon. We are in the initial phases of biopharma and biotech for breast cancer. We are also producing a cardiovascular treatment in the form of tablets with Hetero pharmaceuticals in Abu Dhabi, also known as Nexgen Pharmaceuticals. Nexgen is a joint venture between Neopharma and Hetero Group.

The most recent development has been the Dr. BR Shetty Research Centre; the first research center in the country, opened last year.

Coming back to the Merck Serono deal, how was Neopharma chosen as their local partner of choice?

It was not an easy process; Merck Serono audited all the factories in the area until they concluded that Neopharma had the best facilities. Also, I believe they realized that as a company committed to R&D, we do not compromise on quality.

I am of course honored by their decision and am extremely grateful. We are looking forward to working together and are prepared to go to any measure to maintain quality and continue our relationship.

So considering that you have presence in all the segments of the healthcare ecosystem, what is the trend that you see in the future for this company?

NMC group has gone initially from a pharmacy to pharmaceutical distribution, to a manufacturing factory, and with the inclusion of R&D, it equals one circle. On the healthcare end, I have started a clinic, a medical center, a hospital, specialty hospitals, and now the only element lacking is health education. Hence, I am intending to open a medical college in Abu Dhabi in collaboration with Duke University. It will focus on translational research, with a center for entrepreneurship and innovation on one integrated campus. The aim is to incorporate informatics and IT in order to advance our healthcare systems and life sciences. All that is left now is to obtain the blessing from his Highness so that we can start building as soon as possible.

This endeavor will be my dream come true, since it is the final missing link to complete the cycle. I am going to name this college in honor of her Highness.

We keep hearing that fostering local talent is one of the biggest challenges. How do you think this problem should be addressed?

Healthcare in this country is growing, which makes it difficult to attract enough medical personnel. So what the UAE can do is take advantage of its demographics. We have 200 nationalities living in the country; we can give them a platform to learn and then they will be less inclined to leave. By giving them a chance to contribute to this country, we can avoid the need for depending on other countries and establish quality in our health education. Providing the Emirates' with a new generation of locally educated, quality doctors will only ensure the sustainability of this industry.

And beyond the UAE peninsula, are you also planning to open hospitals in other countries?

Yes, my personal mandate is to go immediately to Doha and Saudi Arabia, then to the greater Middle East and North African region, specifically Egypt, Libya, and Iran; followed by India.

Typically the pharmaceutical industry is mostly associated with Europe and the US, with maybe even Japanese and Korean endeavors as well; but recently there have been more Asian companies asserting themselves. Besides maybe Hikma, we don't really see a

Middle Eastern company that has gone truly global. Given you internationalization strategy, when can we expect this from Neopharma?

In a maximum of two years time, Neopharma will be the first Middle Eastern company to be international. All the platforms are set so it is just a matter of time.

We will focus mainly on diabetes, since the disease has become an epidemic here, and also cancer.

Medical devices are another sector we are exploring. Initially the products will be branded under Neopharma, but after that we will brand them separately. We already have an imaging system called Unity that takes x-rays, but soon we are getting a new unit that enables x-rays in motion, so the doctor can know which vertebra has a problem. This is also very useful for animal care, especially for horses and camels.

Will your family take over the business?

Most likely my son will. I believe in corporate karma. When I came here I didn't have relatives—father, mother, nothing of that sort here—so the people of this country made me the businessman I am today. My son will only take over if he is qualified and if that is what he wants to do. Otherwise we'll have corporate governance.

As a young man, did you ever dream of making it big in a foreign country?

I first came to this country to clear my liability back home. The day I cleared it, I declared I am the richest person in the world. After that I started taking risks. But this company was built on hard work alone; Shetty's sweat is the capital, since I didn't bring anything from India.

I am grateful to this country and the royalty for the opportunity they gave me to realize my dreams, and to be so successful in this country. I can proudly say I am successful now. I am the first one in the GCC to be listed on the London stock exchange, which paves the way for others.

Considering this is a platform for executives, what will be your piece of advice for other executives and pharmaceutical and health care entrepreneurs around the world?

You should always keep service in mind. Whatever business you want to open, don’t have money as the main driver. Don’t work late, keep your employees in mind and do the work diligently; the result is the profit. And when it comes, it should not go to your head; always be humble.

How would you like to be remembered?

I would like to be remembered as having a good heart, who is extremely philanthropic, hard working, passionate, humble, and as a truly genuine person in this world.

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