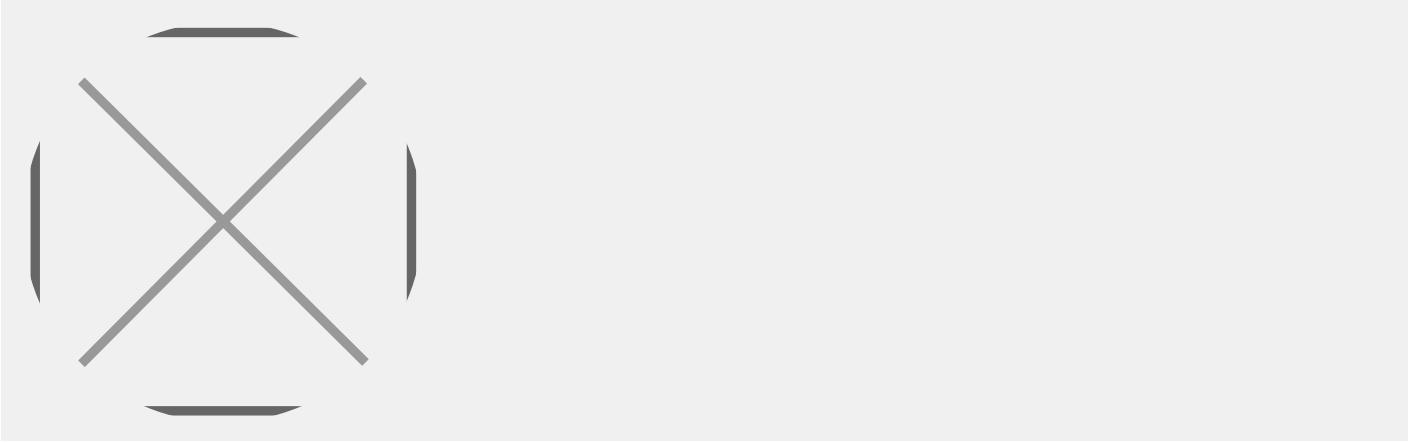
Interview: Mark Lievonen, President, Sanofi Pasteur Canada



25.09.2013

Tags: R&D, Sanofi, Vaccines, Sanofi Pasteur

The president of Sanofi Pasteur Canada discusses the greatest challenges currently facing vaccine companies in Canada, and the added value that Canada's R&D framework brings to a vaccine company like Sanofi Pasteur.

What are the greatest challenges of the vaccine industry in Canada today?

The biggest challenge is keeping ahead of the increasingly stringent regulatory standard that must be met. Compliance and quality are paramount; producing and manufacturing vaccines is challenging as that bar is raised.

Strategic procurement is another major challenge. In Canada, most of Sanofi Pasteur's vaccines are purchased by the government, which tends to look at lowest cost versus best value. In the bigger picture, we bring value by offering security of supply, as well as contributing to the economy in Canada through innovation, providing highly-skilled manufacturing and R&D jobs, and training opportunities for the next generation.

An additional challenge is that, in many cases, global demand exceeds supply. It is very important to be informed of market needs far in advance if we are to effectively meet them.

How does Sanofi Pasteur demonstrate the value of vaccines to the government and others?

For the most part, I believe that the government understands the value of vaccines. However, the dialogue is ongoing. Case studies and discussions with government, academics and institutions are the tools we use to demonstrate the value of vaccines. For example, we have discussions with the government to illustrate how we contribute to a more sustainable Canadian healthcare system. Vaccines are a critical part of the healthcare system since they prevent diseases from occurring.

Sanofi Pasteur Canada is active in R&D: In 2010, the company completed construction of a CAD 100 million facility dedicated to research. Given the recent decline of R&D investments in Canada, what needs to be done to bring its levels back to that of the 1990s?

Canada is very fortunate in terms of its R&D capabilities. We are home to top universities, hospitals, research institutions, and genomic institutes. The challenge is to translate that research into products and services that attracts investment in Canadian companies. Canada needs to enhance its biopharma ecosystem through a mixture of multinationals, strong biotech companies, and home-grown success stories that can compete in the global market.

For example, Canada needs more companies doing what we do. If Canada could develop ten biopharma companies with significant R&D and manufacturing capacity, each generating CAD 1 billion per annum, then you start to build a critical mass of large-scale companies that can support and contribute to the overall ecosystem.

Furthermore, having a world-class intellectual property system that is predictable and sustainable is paramount. Canada does have a strong generics industry, which is fine when patents expire appropriately. The two should live together. However, it is critical for companies to be able to recoup their initial investments in line with other jurisdictions if the biopharma sector in Canada is to be competitive.

I’m pleased that the Sanofi Group in Canada contributes to the vibrancy of the biopharma sector. It is the largest innovative healthcare R&D spender in the country; Sanofi Pasteur Limited alone has 300 people in R&D.

How have the site’s various mergers affected its growth and development?

The organization has been very fortunate to have thrived in a changing environment, and Sanofi Pasteur Limited has maintained its role as an essential part of the global organization. About 20 percent of Sanofi Pasteur’s global revenue comes from products manufactured at the Toronto site. We export vaccines to over 90 countries, with the US being our largest market.

How do you deal with competition from the emerging markets?

The emerging markets are growing quickly; however we have the advantage of a strong economy and infrastructure. Our main focus is to ensure that our operations are world-class, and to continue to provide a reliable supply of quality products.

How does Sanofi Pasteur meet vaccination needs within Canada? What is your role with regard to advocacy?

Sanofi Pasteur has the broadest portfolio of vaccines in the country, which allows us to meet a good portion of the market needs.

In terms of advocacy, it is definitely part of our role. Prevention is fundamental to the sustainability of the healthcare system. Low vaccination levels can result in resurgence of disease, for example. We help to educate the public and the government about why vaccination is so important.

Where do you hope to see Canada's biotech industry in five years?

Canada's biotech companies will ideally mature and grow. I hope that R&D investments will yield significant benefits by that time, allowing us to attract more R&D and manufacturing mandates and have a broader ecosystem.

What have been some of your personal milestones over your career?

One of my personal milestones was helping to manage the very successful acquisition of Connaught Laboratories by Institut Merieux in 1989. At the time, I was VP Finance of Connaught Laboratories Limited. As a result of this acquisition, Connaught Laboratories in North America played a major role in the creation and evolution of Sanofi Pasteur. I was promoted to run commercial operations during the integration. It was a significant shift in responsibility for me – one that proved to be positive.

Along the way, we launched Pentacel® in Canada in 1997, followed by other pertussis combination vaccines. Pentacel is a 5 in 1 childhood combination vaccine researched and developed here in Toronto. We continue to manufacture Pentacel and other pertussis combination vaccines on site for use in Canada and around the world. As a result, Sanofi Pasteur Limited is now a billion dollar enterprise.

That same year in 1997, we also launched our therapeutic cancer vaccine program. It was a scientifically ambitious project, and while we ended up terminating the program ten years later, it did allow us to build up our R&D platforms and capabilities so that we are now a North American

Center of Excellence for infectious diseases.

More recently, we launched Menactra®, the first vaccine against four preventable types of meningococcal disease.

What does the international pharmaceutical community need to know about Canada?

Canada truly is a “hidden gem.” We have world-class scientists and clinicians, an educated workforce and reliable infrastructure. Our science and medical care is state-of-the-art. There is ample opportunity here to be explored through research collaborations, commercialization and manufacturing.

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