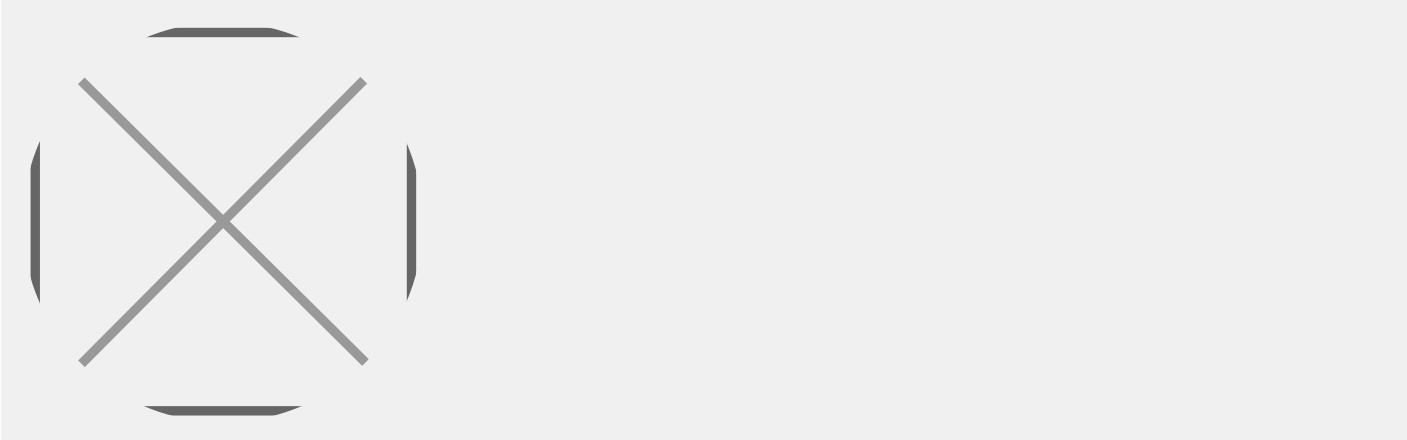
Interview with Guillermo Ibarra, CEO, More Pharma Mexico



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guillermo-ibarra-ceo.jpg

ployees and you have regional presence in Latin America. In your view as CEO, can you tell our readers about the biggest growth drivers and challenges in the Mexican pharmaceutical market since then?

At More Pharma we believe we are navigating at an ever changing environment. The point of sale has changed in the Mexican pharmaceutical industry and we now have physicians in the pharmacies. The demand mix has changed dramatically and we now have branded generics- which is good for the consumer, bus has also added extraordinary pressure to big pharmaceutical companies. The Mexican regulatory authority, COFEPRIS, has acknowledged current challenges and tackled them more agressively since 2011. This includes the backlog of new registrations and license renewal process; counterfeit products; regulating or eliminating so-called miracle products; raising the bar in terms of regulatory approval for new products including biotech.

In this rapidly evolving business environment, a key challenge all pharmaceutical companies are facing is how to develop or attract talent that is really prepared to anticipate and adapt to this new market realities. Every time we look for a new executive, it doesn't matter if it's a Sales Representative or a Manager, we need someone who can react fast, take decisions, act swiftly and execute in an even faster changing environment.

How has More Pharma been able to capitalize on the changes that you just mentioned?

Something that we have learned from our own mistakes is that it does not matter how many years' of experience you have in the pharma marketplace; you need to look at the current market place from a humble point of view. It is a constantly changing market, and a totally new one compared to ten years ago. Any manager working even five years ago is facing different challenges today. The tone we take in More Pharma is a very humble one, and the way we approach a decision is through deep analysis and innovation. When I arrived to the company two years ago, we increased the emphasis of our business model on the development of a portfolio of differentiated and innovative specialty products and gradually have moved away from marketing already established pharmaceuticalproducts.. While becoming a specialty company, we have found that there are European and American pharmaceutical companies with innovative products but with no presence in Latin America and that are looking forward to expand in the so called "phar-merging" markets.. So we have established ourselves as a partner of choice in Mexico and Latin America for these companies.

The core of our business is to look for differentiated pharmaceutical products in specific therapeutic areas; to make a fast and robust analysis of the opportunity, and if there is one , to define and ink a deal or a license agreement. Our advantage is that we are lean, flexible and move fast. Part of the value that More Pharma can offer as a partner is to make an accelerated analysis in 30 days, to come back with a decision and proposal and reach an agreement in a swift mode. We have been able to ink final deals in less than 5 months: that is a competitive advantage.

If More Pharma only started in the market four years ago, what track record do you have to show that you are in fact the partner of choice for other companies? How do you prove this?

We started with one product in 2008. Today we have 20 different products in the marketplace including 5 new product introductions in 2012. Even though we are a small, young company, we are a well-structured one. We report to two well established private equity investment funds with a very strong presence in Latin America and sound track records across the region. Any major decision we make is properly presented, discussed and approved. Our management team holds ample experience and a proven track record, not only in the pharmaceutical industry, but also in M&A, licensing, business strategy and development. Some of us have more than 20 years of experience in this industry.

The company is always looking for win-win partnerships. We have done much work in the last two years enhancing our internal sales structure focusing in key Sales Force Effectiveness drivers: Targeting, training, motivation and DM's leadership. We have a very robust code of conduct and have particularly emphasized the development of an entrepreneurial culture based in our core company values: Passion, Integrity, Leadership, Team work, Innovation, discipline and execution.

When you said you were doing a lot of work on the Sales and Marketing section, and it being a challenge to recruit the right people, how do you recruit the right talent when up against other young companies looking for the same people?

The way I sell the company to any candidate is that when they are tired of ‘big pharma’; come to us. It is not a politically correct statement but it resembles for many candidates. The umbrella message is that when you are tired of lengthy and bureaucratic decision making processes and you feel better in an entrepreneurial environment; come to us. I don’t think there are good or bad companies, just different environments that fit different personalities. What we have found is that most candidates from big pharmaceutical companies are used to managing business through agencies and third parties, but this is not in our case. We also look for people who will roll up their sleeves, and you can usually see this during the interview process. Any position within the company is a very entrepreneurial one, we don’t hire agencies or third parties, we do everything ourselves, it’s a hands-on business model.

If you have such well-trained and entrepreneurial staff, how do you stop them from walking away from More Pharma and joining another company?

When you work in a large company, you need a ‘glue’ to make everybody stick to the same set of values, and that is a best practice we have adopted at More Pharma. Two years ago we defined and launched our set of value. Launching our core values meant a commitment from top management to each company associate. We believe in our culture and we want every More Pharma team member to live according to our values. This culture has helped us create passion for our company, increasing ownership for our growth plans. We have also introduced simple but effective concepts such as job rotations and 360° evaluations, and gradually have been able to improve the benefits we provide to our employees. We have been able to increase employee’s satisfaction while improving overall company results.

Evercore Capital bought part of the company 18 months ago; how have you seen the company change direction, or the way in which it works?

We haven’t really seen any changes. I can speak for the whole management team when I say this; I feel that I am in the best job in the world. We really feel ownership of the company and we have ample freedom to take decisions, translate them into plans and drive execution. Our government structure is very robust: We hold monthly executive meetings with board representatives and a quarterly Board meeting. Our communication is transparent and reporting is sufficient. Major projects are properly discussed and challenged before Board endorsement. We have gained this confidence through consistent results every quarter. The best thing about our management job is that 99% of our time is devoted to growing and developing our business. We do not spend time in endless meetings, conferences and corporate initiatives.

We read that you had conducted several clinical trials in Mexico with over 2000 people. Please can you tell us a little more about that?

On the path to defining our current business model we have also explored product combinations. We have run Phase IV clinical trials to prove that any given molecules combination is as safe and effective as taking two different molecules, but increasing patient compliance. In cases where in-licensing is involved and we know that local clinical date will be required to obtain regulatory approval, we run local phase IV clinical trials.

What have been the biggest areas of growth for More Pharma over the last few years?

We currently focus on specialty therapeutic areas such as Gynecology, Cardiology, Dermatology, Urology, Nephrology and Primary Care, on addition to selected OTC's. Our business model is flexible so we can expand the focus of our current structure depending on the opportunities ahead.

When we spoke to More Pharma in 2008 it was only a tiny company that had just started up in the market, and we come back four years later to see that you have 20 products on the market, operations in Central America. When we come back in 2016, where will More Pharma be positioned?

More Pharma will continue aggressively expanding its portfolio through in licensing, acquisitions and in-house development of specific line extensions or formulations. We firmly believe we can be a partner of choice for any pharma company looking to penetrate or enhance its presence in Mexico and Central America. We expect to continue operating under a lean and flexible business model based on an entrepreneurial culture and our values.

Do you have a final message for the readers of Pharmaceutical Executive?

We have fun at More Pharma- it's a great place to work, and we are enjoying the whole experience!

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