# Interview with Thierry Poiraud, General Manager, Menarini France

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**This year Menarini will launch several new products in France to add to its current portfolio. Apart from this, can you tell us about activities and position in France?**

Our sales have reached 131 million € in 2009 . Our ranking in France is now at the 34th level versus 42nd five years ago.
This is due to our major investments in cardiology which now represents 55% of our portofolio. Nebivolol is leading the betablocker market . We have also reached a significant position in the AAII market thanks to an excellent collaboration with our colleagues from Sankyo on Olmesartan range.

In addition to this we have been successful in the OTC market . In France Novalac® is the leading range of infant formula in local pharmacies. Considering the big players in this market, like Nestlé, this position is something we are quite proud of.

**How do you manage between a pharmaceutical therapeutic line and an OTC line? Are they not two different kinds of business?**

Yes, in one way and no, in another way. To begin with, we have two different divisions with two kinds of sales representatives which allow us to target both general practitioners and pharmacists. However, there are bridges between the two lines: many of our products are either prescribed our advised by medical doctors. In fact, our ethical sales force also visits pediatricians to detail the Novalac® range of products.

In France, the OTC market is not as well developed as the UK or the US. This is for several reasons such as the absence of big pharmacy networks which makes penetrating the market slightly more challenging. Therefore, our format of OTx – something that is part prescribed and part OTC – is an advantage in a disjointed market. As a result the growth of this line has been 15-22% over the last five years! Not many prescribed drugs can compete with that.

All together Menarini France has experienced tremendous growth from 2005, 15% on average!

**From 1992 when Menarini first began in France until 2004 growth seemed fairly normal for the group but 2004 seemed to be a year of transition. Since then sales and employment have been making huge gains: what is driving this development?**

This phenomenon is linked to the launches in 2004 and the overall transition in Menarini.

France began in 1992 through a portfolio exchange with Sanofi which was followed by the launch of Ketum® in 1993 (topical NSAID) which has become highly successful in the market. Till 2004 most of the growth came from this product.

The period from 1993 to 2004 saw very few launches due to pricing problems. Especially Temerit® (nebivolol) which took us seven years to come to a resolution in France.

Since 2004 the group has decided to invest heavily in the French market with a new organisation. This push is also a reflection of the group's strategy; we require collaborations with other pharmaceutical companies. Today we can see that most pharmaceutical companies will need the help of others for the promotion of new compounds for several reasons. Firstly, the time to develop product sales are more limited than in the past because it takes more time to arrive on the market and secondly the generics arrive earlier. Therefore you really need to get your product out there while you have the patent protection. Menarini group has a real know-how in medico- marketing activities but also needs a strong presence in key countries like France.

Since 2004 we have doubled our sales force to over 600 employees in France which is fairly significant when you consider that at the same time a lot of big pharma companies have reduced their own sales forces. Currently we have three sales groups : ethical, OTC, and hospitals.

**Internationalization and research are two steps the Menarini group is currently taking. Menarini France is also participating in the group's Mimosa Project; what is the importance for the affiliate to be taking part in this new research effort and show dedication to the local landscape?**

This is an important development for us and as you know research is one of the keys to growth in the pharmaceutical industry. Moreover, when a company participates in research in a country it's typically well recognized by the authorities and considered by the doctors.

Nebivolol® which final development was completed by Menarini is a good example of our move into internal clinical development. Today the Mimosa Project goes a big step further because we began the whole process and I am proud that France is part of this clinical adventure. There are many medical doctors in France and specialized centers which provide great opportunities to conduct research here and many options developed by the authorities to find public support.

**With the company expanding into different regions – especially with strong operations in Germany from Berlin Chemie – how do you raise awareness at headquarters to invest in research in France?**

Menarini is an important Italian company and like any pharmaceutical group a big share of their R&D is performed in the home market. Germany and Spain are also for historical reasons two key countries for our research.

I hope France will be next, we have some key arguments. For example, we have serious potential in this landscape to conduct research and the government is pushing to develop this activity. The creation of the Credit Impôt de Recherche helps companies to recover a significant percentage of their investment and is something the group definitely takes into consideration.

**Despite the genericization of one of your bestsellers soon you still aim to grow significantly in the near term. How will you pull this off in a market with fast acceptance of generics and relatively longer time-to-market?**

First of all, we have Adenuric® next year for group which has a tremendous potential in a relatively uncompetitive market: there is only one competitor which was launched 40 years ago. There is also a strong medical need : gout can now be cured !

The OTC business is still growing rapidly and the market is still experiencing double-digit growth.

It’s also important to consider that Menarini France is a young company and everyone is very motivated to deliver this growth. Each employee knows that everything we have is dependant on creating this double-digit growth every year.

Since we started in 1992 when things were already getting harder our employees have never been thought with a ‘blockbuster’ state of mind: they know they need to bring results. This is one the major asset of Menarini France.

**When we spoke with Dr. Aleotti in Italy he noted that “having worked with multinationals all of my life I always felt I had to do more than them to reach their level.” Today, Menarini is becoming one of the bigger names on the pharma stage, especially in Europe. Looking forward, how are you going to keep employee motivation high and not become complacent like some other companies?**

There are two main reasons why Menarini will not face this problem.

Firstly, the philosophy that you will get what you work for is not something particular to France; it's seen throughout the countries Menarini operates in. This idea that nothing is easy is related to the fact that we are still a pioneer in many ways. None of us believe we belong to a company that is rich and free of struggle.

Secondly, we do not have a top-down strategy which is important for affiliates still establishing themselves. The people here really feel responsible for what goes on within France and the orientation of the business. This is contrary to other multinational groups who may ignore cultural specificities. We are free to create our own marketing strategy that meets our local needs.

**This is your second time around in Menarini, this time as a country manager. Are you here to stay and what are your ambitions for the group in France?**

I am interested in a company looking to develop its own business with new projects every year. I would not be comfortable in a group looking at 2% annual growth. I want to set up a flexible organization, in which when you have a problem, you can analyze the situation, propose a solution, implement a plan and see the results. This is a simple process but sometimes in large groups things are a lot more complex due to longer decision-making processes in which no one feels responsible !

Menarini is still looking to develop its business in France and I am quite proud of the growth we have attained over the last five years. Our perspective is long term and in addition to our launches we are still thinking of future moves in France which could mean buying other companies or products in addition to our research projects. All together it's quite exciting!

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