Apotex Mexico – Americo Garcia, General Director Northern LATAM



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For 40 years Apotex has made providing patients around the globe with access to quality and affordable medicines its priority. The general director for Northern Latin America discusses the importance of Mexico as Apotex' fourth market worldwide and gatekeeper to the rest of Latin America, as well as the company's plans to double their local production capacities to meet growing demand.

You were appointed as general director for Apotex Northern Latin America in May of this year. What mission were you entrusted with?

My predecessor Hector Carrillo, has done a wonderful job at launching Apotex in Mexico and Latin America and bringing generics to the Mexican market. 20 years after the establishment of Apotex in Mexico, today my mission is to strengthen the business and lead the company to a new phase of growth. Easier said than done, if you take in consideration the increasing competition and the consolidation of large pharmacy chains!

After the US, Canada and Australia, Mexico is Apotex' fourth market worldwide in terms of sales, so it plays a crucial role within the group. Our priority in the short and mid term is to consolidate the operations in Mexico and in the long term to take advantage of the country as a gatekeeper to access further Latin American markets.

One of the most important changes in the pharmaceutical sector has been the decision of the government to move towards consolidation of procurement among different healthcare providers. What impact did this have on the sector as a whole and on your operations?

This decision cannot be seen on its own. Indeed the trend has increased competition among companies participating in tenders; however, it has also fostered a form of natural selection in the market. Regulatory requirements are stricter than ever before and many companies just cannot comply with them. Personally I think this trend has brought a number of advantages, both for the population as well as for the sector. On the one hand it ensures that Mexicans can access a more efficient healthcare system and high-quality products. On the other hand, it helps companies better tailor their business strategy and product portfolios to participate in tenders. Even the government has learned from past experiences that quality matters. Previously they have awarded tenders to small companies, which granted low prices, but eventually were not able to supply. I think it’s a continuous learning curve for all, both for the government as well as for the whole pharmaceutical industry. It’s a challenge, but it’s beneficial to everyone.

What are the competitive advantages of Apotex over other generic companies present in the market?

First and foremost, Apotex is committed to Mexico, as we have invested in manufacturing capacities here. Second, we rely on a very broad product portfolio. And third, we are very flexible. Despite being a multinational company, we are more agile than a big pharma. It is also very important to point out that we count with local R&D capabilities to develop new products according to the needs of the Mexican patients, and so far we already have 58 products developed in our local facilities. As it is the case of manufacturing, having local R&D capabilities ensures the company’s flexibility and autonomy – and this has been an important part of the vision here in Mexico.

The distribution landscape has profoundly changed over the past two years. What did this mean for Apotex?

We have shifted from a distribution model with a small number of large wholesalers to a system with a small number of large pharmacy chains. However, whereas anyone else has seen this as a threat, at Apotex we have seen this as an opportunity. When the company started its operations in Mexico, the large wholesalers did not want to distribute our generics, as they were partnering with the big pharmas. The only market access we found was through pharmacy chains. Today, everyone

wants to be listed there. Apotex took advantage of this opportunity to spread the generic culture among the Mexican population.

What is the overall current perception towards large pharmacy chains?

Whereas in the past the government has been very critic about the practice of having doctors at pharmacies, today it even welcomes it, as it relieves public healthcare institutions. Now priority is regulating it, rather than eradicating it. The quality of products sold at chains has also increased dramatically. Today the regulatory authority has made sure that all products comply with high-quality requirements.

How does Apotex' footprint look like in Mexico?

Today Apotex' local production capacities in Mexico are just enough to cover approximately 60 percent of the local demand, so the rest needs to be imported from Canada. For this reason the company decided to double production capacity. This move will allow us to be more flexible and cope with changing demand.

On which therapeutic areas is Apotex focusing on to drive future growth?

I always say you have to add more legs to the table to make it more stable! Historically we have been strong in erectile dysfunction, cardiovascular, central nervous system and gastrointestinal – today we are the number one company for production of omeprazol in Mexico –. In the future we plan to leverage more chronic-degenerative related areas to fit the development of the epidemiological profile of the country.

Where are we going to see Apotex in five years from now?

We'll rely on a doubled production capacity, we'll have penetrated new therapeutic areas we are interested in and we'll have strengthened our presence in Central America and the Caribbean with plans to penetrate other markets in Latin America.

You have been working in the pharmaceutical industry for almost 20 years. What attracted you to Apotex?

The challenge. First, having the responsibility of a manufacturing plant, which I had never had before, and especially being the one in charge of expanding its capacity. Second, having the opportunity to bring the company to the next level, especially with the great team Apotex relies on here in Mexico. Last but not least and even though I should think in a more regional perspective, I am happy to be able to do something to make Mexico a better country.

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