Interview: Andrew Eve – General Manager and Head of Prescription Medicine, Boehringer Ingelheim, South Africa

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The General Manager of Boehringer Ingelheim South Africa talks about changes that are required to the healthcare system, with far more government/private partnerships, helping to unlock the country´s potential, why South Africa acts as a springboard for many companies looking to develop their footprint in the region, making it the place to be if you have African ambitions and how the goal is to have a successful, sustainable, growing business providing value to patients.

Boehringer Ingelheim is a global company with 130 years of experience. What have been some of the recent milestones for the company in South Africa?

Our most recent milestone is the launch of a new product in South Africa, the first advance in 50 years for the reduction of risk of stroke in patients with atrial fibrillation. This is one of our fastest

growing products globally. We have also recently launched line extensions for our anti-hypertensive products and have a promising pipeline of products in oncology, respiratory disease and diabetes. There is a particular opportunity for Boehringer Ingelheim in diabetes, with South Africa being one of the most obese nations in the world.

What are some of the challenges and opportunities for innovative based pharmaceutical companies working in South Africa?

As a company committed to research and development, that produces innovative medicines, we aim to provide our products to as broad a spectrum of patients as possible. A huge challenge in South Africa is the issue of access to innovative medicines. The state sector serves roughly 80 percent of the population, where the type of medications available, while having some innovative medicine available, tends to be from previous generation treatments or therapies. In terms of the private sector, catering for around 8 million people, private health insurance does not automatically guarantee access to innovative medicines as there is a tiered system within each funder that prescribes maximum benefit payments. There are numerous opportunities for research based pharmaceutical companies to serve more patients in South Africa but two main challenges limit our goal; firstly, long registration timelines (currently up to 6 years), that might delay access to innovative medications; and, secondly a SEP (Single Exit Price) that allows no flexibility in pricing based on risk benefit models. However if either of these issues can be resolved this could open up significant additional opportunities while benefiting patients at large.

How do you see the government’s National Health Insurance (NHI) scheme developing?

The Ministry of Health is clearly driving the implementation, and Boehringer Ingelheim is fully supportive of this. However, this is not something that will happen overnight and will require large and capable resources to get it off the ground. Although financing such a system brings with it its own challenges, probably the larger one is that of capacity and skills. Creating something as large and complex as a National Health system can take a few decades to develop. While South Africa can look at different models from around the world for best practice, there might be a challenge of resourcing it from within the healthcare system to implement a NHI scheme. So this could be an opportunity where the private sector can provide support and many pharmaceutical companies would welcome discussions on how we could assist and be part of providing solutions.

Globally, partnering has been a central part of the company’s strategy for many years. What importance does the affiliate attach to partnering and building strategic and enduring relationships with relevant stakeholders?

Building partnerships is something we are looking forward to enhance and develop in South Africa. It's a core focus of Boehringer Ingelheim; we have many skills within the company, enabling us to provide value beyond just selling our products to patients. One partnership that has been particularly effective was the initial support in establishing the Boehringer Ingelheim Lung Institute at the University of Cape Town. It has been enormously successful, with the Lung Institute publishing a large amount of peer reviewed clinical research of an international standard.e

How does Boehringer Ingelheim´s localised decision making structure benefit the company in Africa?

The company structure has recently changed to improve our strategy and execution and we now form part of the META Region (Middle East, Turkey and Africa). We have a level of autonomy in South Africa and there is now a clearer strategy and focus from Boehringer Ingelheim global towards South Africa and the African continent in total. South Africa, as a leading hub within Africa, a continent with over one billion people, can therefore have considerable influence. The country acts as a springboard for many companies looking to develop their footprint in Africa, due in part to our well-developed infrastructure and high level of education. South Africa is the place to be if you have African ambitions. Indeed, Boehringer Ingelheim has a sub-Saharan office based in South Africa, which reports directly to our regional office in Dubai.

What are Boehringer Ingelheim´s particular qualities that help to distinguish the company from its competitors?

Boehringer Ingelheim is first and foremost a family owned company. Independence, sustainability through investment in R&D, manufacturing and marketing new medications of high therapeutic value for human and animal medicine is at our core. From this R&D we have a very strong pipeline of new products in the cardiovascular therapeutic area, diabetes, respiratory disease and oncology that perhaps some other companies do not have.

Globally we invest nearly 20% of total sales (around €2.7 billion) on R&D as it's a core component for our industry. The keys to success in research & development are capable people with the best scientific and technological knowledge, flexible thinking and good communication, who work well with their peers inside and outside the company.

Social responsibility through 'Making more Health' and caring for its employees is an important part of our culture too. Another important factor is our working environment; the people, and the facilities within the company. This is another area where Boehringer Ingelheim stands out.

What is the strategic importance of the South African affiliate in terms of expanding the company´s footprint across Africa?

Looking at the healthcare market and the promise that Africa holds, we need a successful South African affiliate to be able to expand in Africa. Boehringer Ingelheim has a very strong focus and high expectation for Africa. With that comes the need for capable employees that have the skills, to export our services to the wider continent, for our medications to reach as many patients as possible.

Do you have a five year vision for the future of South African healthcare and a five year vision for Boehringer Ingelheim in the country?

Our ambition is to have a successful, sustainable, growing business that provides value to patients as well as to the country´s healthcare system in general. We would like to focus not merely on the private sector, but also provide additional value to the government sector. Boehringer Ingelheim has a portfolio of world class products. We have a leading product for COPD treatment, a product for the prevention of stroke in patients with atrial fibrillation that is backed by extensive data from “real world” studies, biotechnology products for the treatment of acute stroke and heart attacks, as well as an excellent oncology and diabetes pipeline. As a company we are keen to have the opportunity to share our products with a far wider audience than we currently have. There needs to be changes within the South African pharmaceutical environment, with additional government/private partnership, to ensure that we are able to elevate the country´s tremendous potential and offer a far wider population access to innovative healthcare products.

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