Interview: Paulina Escobedo – General Manager, B. Braun Medical Mexico



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Paulina Escobedo, general manager of B. Braun Medical Mexico, provides insights into the impressive development of this division since it was set up in the country in 2011, while the company will introduce its pharma product portfolio in Mexico in the upcoming months. She also documents the comprehensive partnership approach followed by B. Braun Medical Mexico, which naturally includes private and public health institutions, but also other medtech and pharmaceutical companies.

Globally, the two main divisions of B. Braun Medical (Hospital Care and Outpatient Market) represent 65 percent of the total sales of the group. B. Braun Medical however was only implanted in 2011 in Mexico. How has this division been gaining in importance over the past few years and what has been the strategic thinking sustaining its development?

First, the healthcare and institutional communities of our country have warmly welcomed the opening of this division, while finally having the two B. Braun companies fully implanted in Mexico indisputably stands as a great addition to our country's health eco-system.

In terms of strategic thinking, we have notably been strengthening our market access capacity over the past five years; in order to reach the necessary speed-to-market that would allow us bringing all our products within a limited period of time. In terms of portfolio, we are essentially

focused on three therapeutic areas: infusion therapy, clinical nutrition products and pain management. Talking about market access, we are about to broaden our current portfolio in these therapeutic areas by bringing our pharmaceutical products to Mexico in 2017. These product launches will strengthen our unique positioning as a true vertically oriented company, whose pharmaceutical treatments will perfectly complement our medtech and services offering to become an evermore comprehensive solution provider.

Looking at our development path, B. Braun Medical Mexico definitely is on the right tracks, increasing year after year its market share and continuously improving its processes to ensure current growth truly nurtures the long-term development of our organization. This continuous improvement effort moreover goes beyond our own, internal processes, as we have been working very closely with the local healthcare community to ensure Mexican professionals are able to fully unlock the therapeutic potential of our innovative products – fostering a sound and developing relationship between our company and Mexican physicians.

What is your growth objective for 2016, and how do you plan to fulfill this target?

Our headquarters hold great ambitions regarding the development of the Mexican affiliate, despite the persistent underdevelopment of the local medtech market, where penetration rates remain particularly low in many product categories. Considering the significance of the Mexican economy and the size of the country’s population, we want to become a top 15 B. Braun Medical affiliate over the next few years.

Growth however requires to be sustained, and B. Braun will continue to invest in Mexico, particularly in manufacturing. Strategically, we pursue two objectives: develop our footprint in the country to ensure the Mexican market goes up in the global ranking of the group, and –above all – ensure Mexico becomes the regional manufacturing hub of the company.

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Looking at numbers, in 2016, we hold the ambition to grow our sales 30 percent, which stands as a reachable but challenging objective considering the public budget cuts recently released. To achieve this growth target, we will need to keep an optimized balance between our public and private sector activities, while we are extending our presence in the outpatient market. The latter stands a fast-growing segment in Mexico, encompassing chronic wound care patients and crucial therapeutic areas such as diabetes, oncology, and dialysis. Nevertheless, despite the growing importance of the outpatient segment within our growth strategy, hospital care will remain at the core of our business approach in the upcoming years.

You entered the Mexican market relatively late, at a moment where the entire medtech industry had already started to move from being focused on devices to broadly become solutions and services providers, which all strive to "be the partner of choice of the public Mexican system". In this context, how have you been differentiating B. Braun Medical?

As an international company with German origins, B. Braun has been striving to bring to Mexico some of the best European practices and processes, while the Mexican eco-system traditionally is more focused on American standards. In this vein, education has truly been a powerful door opener and we managed to rapidly gain a respected position within the healthcare eco-system by bringing certifications, quality and safety indicators, and best practices from Germany.

Second, since the beginning of our operations, we have been concentrating our efforts on developing strategic alliances with public and private research institutions but also with other medtech and pharmaceutical companies, which could help us to bolster and bring a higher added value to our customers. In 2016, B. Braun moreover released its *2020 Strategy*, which further highlights the importance to find local partners to nurture the development of all our affiliates, while complementing our product and services portfolio and better match our customers' needs.

In the pharmaceutical field, many companies share our fundamental focus on excellence, and they are ready to bring together their treatments and our infusion technologies to offer the best of the two worlds to Mexican patients. In high-cost therapeutic areas such as oncology, these synergies and consolidation effort would be critical to truly foster the improvement of Mexico's healthcare. In this field, we already partner with the most prestigious pharmaceutical companies to assess and improve the efficacy of different infusion therapies or the safety of chemotherapies, for example.

Although these partnerships are absolutely necessary, we also need to more largely involve our customers and end-users, and patient organizations therefore holds crucial importance in helping us to improve our delivery.

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All the main public stakeholders we met for this report, from Dr. Narro, Mexico's Secretary of Health, to Mikel Arriola, general director of IMSS *(Mexico's main social security institution, e.d.)* highlighted that one of their first priorities focus is to generate higher cost-efficiency within the public Mexico system to better leverage available financial resources. Given your current product portfolio, what could stand as B. Braun Medical's contribution in this regard?

Generating higher efficiencies first implies to better measure and control our healthcare environment. B. Braun Medical is highly committed to this endeavor, and we have already launched several projects that aim at generating real world data that help IMSS and ISSSTE to drastically reduce risks of nosocomial infection.

A second approach to cost-efficiency relates to ramping up processes, avoiding mistakes and eliminating waste. In this regard, B. Braun's commitment goes beyond measuring outcomes and we are currently implementing pilot programs that aim at reducing medical errors, increasing safety standards in intensive care units and reducing patients stay in high-cost hospital units. Overall, we look at implementing these programs in a very scientific way, to ensure their outcomes can be rigorously assessed and published in medical publications – before being replicated throughout the country and in all similar medical institutions.

In Mexico, B. Braun products and services indisputably hold the innovation and excellence levels needed to make a difference. Nevertheless, to truly have a positive impact on the Mexican health system, being passionate about the opportunities and challenges of our eco-system stands the most crucial success factor – and we have been very attentive to this aspect when building our Mexican team.

You have been involved in the development of B. Braun Medical since the infant stage of the division in Mexico. What have been some of the main challenges you faced when maturing its development?

Building and strengthening a high-performance team has been a very exciting journey. To develop the company's savoir-faire in the country and reach similar expertise levels as in these in Europe, we had to pull together employees come from different backgrounds, before instilling and honing our corporate approach and standards across this new organization. It is still a work in progress, and I consider we are still building the Mexican identity of B. Braun, which includes finding new opportunities to expand our presence and develop our Mexican capacity. In this overarching objective, I want to ensure we remain an agile organization, ready to evolve day after day. Finally, I want B. Braun Medical Mexico to become a reference in translating global trends and corporate innovation into locally adapted added value.

The latter is particularly fundamental if we want to remain successful in the Mexican eco-system. Mexican stakeholders are willing to embrace innovation, as soon as it is truly tailor-made to their needs, which greatly vary from the public to the private sector or from primary to high-specialty care. To further differentiate ourselves, we need to be creative in the way we display the value of

our innovation, and especially ensure that Mexican health institutions and healthcare practitioners fully understand how our comprehensive solutions can help them raise clinical and patient outcomes – in a cost-efficient way.

What are some of the game-changing projects championed by B. Braun Mexico?

Over the past ten years, B. Braun has been globally partnering with the World Health Organization in prevention and education campaigns to improve hand hygiene, focusing on the reduction of healthcare-associated infections and their consequences. B. Braun Mexico has been leading the implementation of this “Clean Care is Safer Care” program from a global perspective, partnering with IMSS, ISSSTE, Seguro Popular and other private institutions to develop locally adapted best practices, certification programs and excellence awards in Mexico. In the meantime, we have been binging to Mexico the expertise developed by WHO experts at the University of Geneva, fostering a direct knowledge transfer between our country and Europe, and also between Mexico’s key health institutions and the WHO.

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