Interview: Reginald Decraene – Managing Director, Pfizer Luxembourg



"Luxembourg is a rather easy market to introduce a new product. Any product introduced in the country is actually first introduced in Belgium, where pricing is agreed upon and then followed in Luxembourg."

07.11.2016

Tags: Luxembourg, Pfizer, Big Pharma, Market Access, Strategy

The recently appointed managing director of Pfizer Luxembourg discusses the current footprint of the company in the country; how every affiliate within the group counts; market access procedures; and the role of Luxembourg within the life sciences and healthcare sector.

Since September 2016, you have been managing director of Pfizer Luxembourg. What made you join the company?

I worked 16 years with biopharmaceutical companies, always with a special focus on Luxembourg. When the Pfizer opportunity came along, I decided to move as I have a track record of assuming greater responsibilities. The position of managing director for Luxembourg takes me out of my comfort zone, and that's the type of challenge I was looking for.

What roles and missions have you been given, and what are your key objectives?

My main role is to increase Pfizer's footprint in Luxembourg by building and developing the existing team. We have a strong ambition to ramp-up our business in the GDL and scale-up our operations in the country. At the internal level, my objective is to enhance teamwork.

What does Luxembourg symbolize for Pfizer at the regional level of BeLux/BeNeLux and more generally, at the European level?

Pfizer is very focused on all countries where it has operations whether we are talking about large markets such as France and Germany, or smaller ones such as Luxembourg. We generate substantial revenues in this “small” country and we are today the number three in the market. In GDL, we do a lot of product development, and we also handle sales and marketing. My role entails a strong “adaptation” dimension: making sure Pfizer Luxembourg meets the needs of the local patients.

How easy is it to launch a product in Luxembourg and how would you characterize the market access environment in the country?

[Featured_in]

Luxembourg is a rather easy market to introduce a new product. Any product introduced in the country is actually first introduced in Belgium, where pricing is agreed upon and then followed in Luxembourg. Once we receive full market authorization, we then proceed to launch the product in Luxembourg. We follow of course the EMA indication for the product and have product reimbursement for all indications here in Luxembourg.

Luxembourg benefits as I mentioned, from price setting mechanisms in Belgium since negotiations are applied to a larger population. It is interesting to note that despite the fact Luxembourg has a much higher GDP per capita than its European counterparts, drug prices are close to the European average. I have worked in Luxembourg since 2009 and product introduction hasn’t changed since. The process is seamless.

What do you expect to be your next product launches?

Our next product will be XELJANZ®, a new innovative oral compound Janus kinase inhibitor for the treatment of moderate to severe rheumatoid arthritis. Our first indication will therefore be designed for rheumatologists and will be launched mid-2017.

Pfizer is leading in the fields of immuno-oncology and cardiovascular diseases. We have close to 600 off-patent products, which we still actively promote . Although these products generate little profit for us as a company, it is our responsibility as a to continue to promote them. We are convinced that we can generate savings through the off-patent products, that can serve afterwards to fund for our innovations. As a company, we are having a quite unique view on this matter. .

How would you qualify your relationships with the Luxembourgish medical community?

Our relationship with the medical community is excellent. . Luxembourg is uniquely positioned to conduct clinical trials too. It is difficult however since we don't have any major research institutes or medical schools. Our physicians are clinical physicians and don't have the time to undertake such programs. The difficulty varies according to the field. In Oncology and Cardiology however, opportunities will arise shortly.

Talking about this topic, what do you believe are Luxembourg's assets and drawbacks to conduct clinical trials?

Our main challenge is the low number of patients. We are a small country, without a doubt. Our second issue is that all companies must integrate within a Belgian structure, and Belgium boasts excellent facilities for clinical trials. This discourages companies from switching to Luxembourg. There is a potential to do it here, but it is not incorporated into our culture – yet.

We have to differentiate ourselves from France, Belgium and Germany, and simply cannot compete or fight on the same levels. In Belgium, you for example have tax credits for employers who hire researchers, there are several well established medical universities and the entire ecosystem for research, manufacturing, clinical trials and more, is already there and widely available. In Luxembourg, we are still developing research institutions but do not have a medical university which prevents further investments to take place.

Pfizer has a major production facility in Belgium that employs 2500 trained employees. They still have a hard time finding skilled labor despite having a pool of talents at their disposal. Let's therefore imagine if we tried to do the same in Luxembourg…it would be unrealistic. We therefore have to explore new fields to become competitive and differentiate ourselves.

The fact Luxembourg has put in place, over the last decade, the Luxembourg Institute of Health (LIH), the Integrated BioBank of Luxembourg (IBBL) or the Luxembourg Centre for Systems Biomedicine (LSCB) are fuelling our dynamic sector and ecosystem. Things are moving fast and that is excellent. We are however missing a pharma platform that would enable all professionals to meet, network, exchange information and communicate. In Belgium, such platform exist. We want to know how to cooperate with different firms, learn about new departments and new technologies. This is personally something I would like to see happen in Luxembourg.

[related_story]

As discussed with other executives in Luxembourg, the differentiation and uniqueness of Luxembourg will be in certain specific areas, such as personalized medicine – an area

in which Luxembourg wishes to be a pioneer – Parkinson's or the whole Big Data and digitalization trend – given the strong heritage in the ICT sector. What is your stance on this?

Absolutely. We need to invest in specialized sectors where we can develop a unique expertise. Conducting clinical trials with 300 experts is impossible for us! Pfizer for example has a product called Vyndaqel, which is the first therapy approved in the European Union for the Rare and Fatal Neurodegenerative Disease Transthyretin Familial Amyloid Polyneuropathy. It is administered to 6 patients in Luxembourg and only 3 in Belgium. The reason being that this illness affects more people with Portuguese origins, and since this community is very strong in Luxembourg, we cater for more patients. The success of Vyndaqel proves that we can be competitive in Luxembourg.

Big Data will also be an ideal field to develop our footprint and become a pioneer. There are sectors where we can benefit from our country's small size. The entire population is located in the south of the country, meaning that we can easily gather national data. There are 96 pharmacies in Luxembourg, so if we need to collect insight from pharmacists, we can do so in a day.

I strongly believe in the cooperation between pharmaceutical companies. We are in a new era of the pharmaceutical sector, where companies want to be responsible. We want to put patients first and at the heart of our activity. The time when pharmaceutical companies were only thinking about competitiveness and rankings is over. Pfizer Luxembourg wants to play an important role within the Pfizer Group and the pharmaceutical industry at large; we want to develop innovative solutions and invest in science and research. Overall, I am very pleased to say that we have managed to create an independent entity in Luxembourg, exclusively geared towards our domestic market, and this is crucial.

A few words to conclude?

Any business strategy must focus on patients. Any innovation or technological breakthrough has to be designed for patients' needs. Regarding Pfizer, there is a unique corporate culture, which consists of accountability, entrepreneurship and responsibility. Our approach is to take risk and value risk – within a legal and compliance framework of course. I always value initiatives amongst my staff, and this is the way, I believe, to go forward.

See more interviews