Interview: Pierre Faraldo – COO, Biopas, Colombia



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Chief Operating Officer of Biopas, Pierre Faraldo, depicts the explosive growth the company has been achieving in the past 15 years to become one of Colombia's success stories, with the ambitious objective to position itself among the Top regional pharmaceutical players in Latin America by 2020.

How long have you been working for Biopas and what motivated you to join the company?

I am a pharmacist by education with 31 years of experience in the pharmaceutical industry, mostly working for French companies: Roussel Uclaf and Servier in Spanish speaking countries such as Guatemala, Venezuela and Spain. While working in Venezuela, I met Pascal Forget, CEO and founder of Biopas. I first came back to Europe working for Servier in Spain as a General Manager for 12 years, after which I moved to Paris to take the responsibility for Servier in Latin America. At that time, Servier selected Biopas to distribute some of its main products in Colombia and Peru. I negotiated the agreements with Biopas, set up Servier's affiliate in Colombia and decided to start a new adventure with Biopas, which has been a great experience so far.

Biopas has a long-standing presence in Colombia, since 2003. What have been the main accomplishments so far?

Biopas was founded in 2002 in Venezuela. The following year, the headquarters of the company were located both in Bogota, Colombia and in Panama. In the last 15 years of existence, Biopas has

progressively covered most of the Latin American countries: Venezuela, Colombia, Ecuador, Peru, Chile, Central America and Argentina. Biopas is currently covering 90 percent of the Latin American countries and is looking forward to expanding its presence to Bolivia and Cuba first and then Brazil and Mexico through an aggressive internationalization strategy. We do not manufacture our own products, but our ability to import and offer fast market access and innovative sales and marketing strategies to highly innovative products, has resulted in the continuous growth of the company. Today, Biopas has 500 employees with administrative and operational headquarters, respectively in Panama and Colombia. We are nurturing our business model with complete autonomy, which subsequently led to building our competitive advantage and core values: flexibility, dynamism and ability to make high-speed decisions.

Biopas offers products in different areas such as immunology, neuroscience, oncology, gastroenterology, women's health, among others. Which therapeutic areas is Biopas currently focusing on and which are the growth drivers for the company?

We are focusing on four main therapeutic areas: immunology, central nervous system, oncology and haematology, as these areas represent more than 50 percent of sales in Latin America. However, we are also present in the areas of gynaecology, fertility, gastroenterology, and dermatology, where we offer products of high quality and excellence. As Biopas prides itself on being an innovative company bringing forward cutting-edge solutions, we recently created new business units for orphan drugs, haematology and medical devices, with many exciting products in the pipeline. We recently partnered with a French company to offer two haematology products, while our medical devices section features an interesting product for spine disease just launched last week in Chile in partnership with Neo, our Swiss partner. Additionally, while Biopas strongly focuses on diversifying its portfolio, we tend to see growth coming from specific niches. We are aiming to continuously provide innovative and exceptional products and services for medical needs to remain the partner of choice for companies interested in building a presence in Latin America. Consequently, we are aiming to position ourselves in the top leading regional pharmaceutical companies in the LATAM market by 2020.

Last year you started distributing Sativex, the first marijuana-based drug in Latin America used by patients with multiple sclerosis to treat muscle pain. How has the drug been received and what does it mean for Biopas to be the distributor of this novel drug in Latin America?

Bringing to the market the first cannabinoid based drug in the whole of Latin America perfectly matches our company's values and mission to remain one of the most innovative companies in the

market targeting unmet needs, while bringing new therapies in CNS, one of our core areas of focus. While Sativex originates from the British company GW, Ipsen currently has the rights for the commercialization in Latin America and is therefore our direct partner. We are currently expecting to launch the product in Chile for August and in Colombia for September. New treatments based on marijuana have not been successfully developed in recent years, and therefore, Biopas is very enthusiastic to finally deliver this original and efficient medicine.

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Being currently ranked within the top 20 companies in Colombia with 52 million USD in sales, 1.4% of market share and 29.8% sales growth. What is your growth target moving forward?

We are very proud to be part of the top 20 companies in Colombia, particularly given the fact that five years ago we were ranked number 60, while occupying the 26th place last year. In terms of performance, and as of May 2017 we increased our sales in Colombia by 28 percent, while sales growth in Latin America increased by 31 percent. These are impressive results, considering the influencing factor of Venezuela, where we lost 90 percent of sales, yet the Biopas group hasn't suffered the negative consequences of these circumstances.

Last year you entered a strategic alliance with moksha8 to collaborate on both existing and future corporate development partnerships. What is your partnership strategy to further advance your position as a unique regional provider of high quality, innovative and specialty pharmaceuticals?

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The alliance with moksha8 is part of our business development strategy; it will allow us to enter the Brazilian and the Mexican market, as both are more complex to penetrate. Many multinational companies are present there with their own affiliates; therefore, it is very important to carefully choose the right product portfolio that fits the needs of the local market. We aim to enter these mentioned markets by 2020. This concept is corresponsive with our business development strategy: identifying innovative and high- quality products of excellence matching therapeutic areas that we cover, while meeting the criteria of showing the potential of achieving 20 million USD in South America.

Regarding our partnership strategy, we currently work with 30 different partners from different countries, including UCB, Ipsen, Ferring, Daiichi Sankyo and Leo, among others. In the near future,

we are looking forward to signing agreements with a Korean and American company. Partnering with the best companies in the world represents the core of our company and the strategy that we employ to achieve Biopas's dynamic growth.

Looking forward, what will be the next steps in terms of expanding the business? What type of opportunities are you looking for and what is your vision of Biopas moving forward?

We have several priorities to ensure Biopas will be following its current dynamic growth trajectory moving forward. First, we will continue focusing on the development of our current product portfolio in the markets we are currently present, while signing new agreements and entering new markets to further expand our operation and presence. We have been essentially concentrating our efforts on doubling our sales with the plan to hit the 250 million USD by 2020, while focusing on building our reputation as partner of choice for international companies looking to expand their presence to Latin America. In this regard, Biopas has set some ambitious but realistic and achievable goals, taking into consideration our historical performance.

Biopas's customers have to cope with market access difficulties and in this context, Biopas has undoubtedly been positioned as an expert in the field, having registered a significant number of products in a relatively short time-span. In the last 12 months, we registered 114 products in the markets we are in, while we are currently presenting more than 100 products in the registration process. These factors significantly contributed to overcoming the well-known market access challenges and therefore, Biopas established its reputation of excellence within the regional and international landscape. Nevertheless, Biopas is strongly investing efforts into further strengthening its capabilities and improving quality, compliance and pharmacovigilance procedures. Last but not least, transparency is crucial for Biopas and we are strongly committed to implementing these values into its business model to develop a high level of confidence, while sharing with our partners the strategy, vision and different tactics for tackling the market challenges.

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