Interview: Newar Giraldo – General Manager, Humax, Colombia



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18.09.2017

Tags: Colombia, Humax, Valeant, Pharma, Biotech, Strategy, HIV, OTC

Newar Giraldo, General Manager of Humax in Colombia, discusses the company's role in countering monopolistic situations, their recent focus on OTC medicines, as well as their selective internationalization strategy based on regulatory fit, and his intention to enter the nanotechnology and biosimilar sectors.

Could you introduce our readers to the company's activities?

Humax was created in in 2002 with a specialisation in HIV products and with the objective to provide high quality products at a low cost. Our company is focused on the patients' needs. By 2004, we started distributing our HIV products on the market targeted to reach the 8,000 patients suffering from this disease in Colombia. As Humax launched its products, the price of such medicines fell by 60 percent. As a result, the number of patients in Colombia increased. We now employ 400 people of which 55 are chemists, and have two manufacturing plants in the country.

We made agreements with Antioquia University that helped us develop pharmaceutical care programs, also the manufacturing plant of University of Antioquia, Manufactures some of our products.

After succeeding in the HIV segment, Humax entered the central nervous system, cardiovascular and digestive lines because these were also affected by a monopolistic situation. We take pride in the leading position of Sulzinc, a digestive treatment launched as a result of a PAHO suggestion to

treat children. Humax finally entered the trade market in 2008 after four years of dealing solely with the institutional side of affairs.

Valeant acquired Humax in 2015, how has it affected your operations?

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With regards to our Colombian operations, Valeant kept our brand name. However, we've started reporting to Mexico. This allows Valeant to continue benefitting from our brand equity and strong ties with practitioners in the Colombian health sector. Their qualified board of directors have help us improved our efficiency. As a matter of fact, we rank now in the top 50 companies in the Colombian trade market and have revenues of over USD 25 million. Our projected revenues for 2018 average USD 35 million.

Humax today presents a wide portfolio. What is today's main focus and which products do you intend to launch?

On the one hand, the strong ties we have with HIV specialists in Colombia have incited us to continue with a strong focus in this area. On the other hand, the imbalance in rights between people from the contributive and subsidized regimes has directed our actions. In the case of CSN for example, we've noticed high imbalances and therefore have made it a priority. Moreover, such diseases affect a growing part of the population. We do our best to inform physicians, and patient, that Humax products are an affordable alternative for the treatments they need.

Also, Valeant's acquisition and the attractiveness of the market's growth have moved us into the development of OTC products. Insect repellents have witnessed tremendous performance these last years with mosquitoes being the vectors of deadly diseases. We expect this trend to continue.

Last, Humax is looking to produce biosimilars. Unfortunately, our technological limitations prevent us from bringing affordable solutions to the market ourselves. Therefore, we are looking for partners to enter this market.

Our annual KPI is 20 registration files submitted to INVIMA. With regards to the dynamics of regulations, we can only launch the products that have been registered by INVIMA in the previous years. As a general forecast, we expect 10 to 15 launches a year, some in new segments, some as an extension of our existing lines. We forecast 12 launches in total for 2017.

You mentioned that you are working on several different partnerships. What makes you the partner of choice for these companies?

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80 percent of our revenue comes from our own brands and Humax has strong expertise in developing and producing its own products in Colombia. In some cases, usually for technological reasons, we cannot produce ourselves and look for partnerships. The Colombian pharmaceutical market is dynamic and we are continuously looking for this type of agreements. The most important success factor within the fast-paced market we evolve in is flexibility.

To attract new partners, we are present in most of Colombia's pharmaceutical tradeshows such as ANDI forum, and some international tradeshows such as CPHI and BIO. We might not be the largest company in revenues, but our seriousness and ethical business code of conduct are assets we are capable of leveraging upon to attract new partners. Usually partners come to us because we have a good brand reputation, both on the national territory and overseas. Moreover, our relationships with physicians and society memberships play to our advantage. For instance, we are members of CIDEPRO, a private-public alliance for the development of new drugs for tropical diseases in Colombia. Those products are currently in clinical trials and we hope to bring them to the market within 5 years.

Humax distributes products overseas. What is your internationalization strategy?

We are selective when it comes to our internationalisation strategy. Our priority is to make sure the products have a good regulatory fit with the country. Additionally, we look for strong local players and high GNP levels that can guarantee profitable activities. In some case the initiative to enter a new market is not Humax's. Instead, an existing partner for the Colombian market could ask us to start distributing their products in other countries of the region. In fact, we're often looking to partnership for the Colombian market that can morph into something broader. As said previously, our main concern is that the products we distribute fit the regulations of the target country beforehand.

Our products are soundly marketed and commercialised, but we also engage in multiple partnerships, most notably with universities. Insurance companies and "EPSs" recognize our pharmaceutical care programs throughout the country. Additionally, and our business model involves risk sharing with the payer and patient which is a matter of the foremost importance for the government at this moment.

What are your strategic priorities and how do you envision Humax in the future?

In the next years, I expect Humax to be working on various topics. First, we would like to improve patient adherence to their treatments. Second, we would like to develop more affordable active ingredients to improve the health of more Colombians. Third, we are currently advancing on the development of nanotechnologies through projects with Universities. We hope these innovative medicines reach the market in the next 5 years.

You were appointed as general manager five months ago, what is your personal ambition in this role?

Having worked for Humax for 14 years, I was already familiar with the environment we worked in. Moreover, I have a chemist background, a Masters in Administration, other in Pharmaceutical care and a PhD in assistance to pharmacy. These experiences have provided me with the necessary insights and knowledge into marketing, sales, and the technical aspects of the pharmaceutical industry. Nonetheless, the scope of my responsibility has been significantly widened since taking the position of general manager. I feel like the decisions I make now have much more impact than before. I take pride in leading by example and building strong relationships with my employees, customers and partners.

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