Nicolas Chandellier – General Manager, BD France

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Nicolas Chandellier, general manager of BD France, discusses the company's historic positioning in France and how the organization has transformed to further act as a partner to the healthcare system and patients as an increased focus is placed on patient pathways not only in France but around the world.

BD has been undergoing a wholesale transformation since your appointment as general manager almost 3 years ago. How have the integration processes of the group's overall M&A activity played out in France?

Over the last five years, we have integrated two big companies into the group, CareFusion and Bard, nearly doubling our size. However, this was not done for the sake of adding numbers to our sales, but as a strategic approach to increase the impact of the offering that BD can deliver. BD may be one of the five biggest MedTechs in the world, but we are unique in the sense that we can be present and offer solutions covering the entire patient journey. Our aim is to be alongside patients their entire life and advance the world of health.

BD is notable for the sheer breadth and comprehensiveness of its offering spanning 3 core businesses: Medical, Life Sciences, and Interventional. How is this portfolio reflected on the ground in France?

BD is a global leader in prevention, such as vaccine delivery, and diagnostics in both areas – preanalytical and diagnosis. Furthermore, we are also a strong player in medication management with all the devices available for drug delivery. We have a strong presence in both the hospital and primary care settings and eight out of ten diabetes patients in France use BD needles.

BD supports storage systems for the central pharmacies of hospitals, providing solutions to stock, track, and dispense drugs from the pharmacies to patients' beds. Finally, our solutions go even further as a provider of surgical devices. Over 36,000 surgeries in France use BD devices each year.

What do you expect to be the impact of Minister Agnès Buzyn's flagship *Ma Santé 2022* reform program, focus on the entirety of the healthcare value chain, on the affiliate?

The acquisitions of CareFusion and Bard were actually a strategy for BD to prepare itself for not only the changes in France but in the world as well. Looking at the rationale behind this reform, one can see that we are living in a very exciting time for life sciences and healthcare, especially in regard to the MedTech industry. There are huge changes in technologies in terms of digitalization, artificial intelligence, big data, etc. This all plays a role in building connectivity and adding value across device and innovation.

Moreover, there is a social change in which patients want to hold greater responsibility in driving their own health. Today's patients are much more involved in the health paradigm than they used to be, and this must be acknowledged by the industry. In addition, the demands and needs are growing much quicker than any healthcare system can afford.

The French healthcare reimbursement structure today is based around the cluster and types of activities across primary care, hospitals, specialty clinics, and so forth. *Ma Santé 2022* is aiming to put a new focus on the patient journey and structure financing around the performance of the system while addressing different pathologies. There is also a new consideration on how to appropriately utilize all the resources of the system and not have any waste. I believe that the reforms currently undertaken in France will eventually happen in several other nations. BD has been preparing itself for such evolutions, and we will be well geared to this new paradigm.

What primary challenges do you see being faced by the French health environment today?

Two new challenges that healthcare systems now have to face are the significant increase in chronic diseases and the rise of deaths caused by antimicrobial resistance (AMR). Firstly, this means that patients are traveling within the healthcare system back and forth through its different levels resulting in more time spent in health institutions. Secondly, AMR is a massive issue all around the world, and France is one of the hardest hit countries in Europe by the phenomenon. Out of the top 33 countries in the world impacted by AMR, France has been ranked number 28 in a study by the OECD (reference: A.Cassini et al. Attributable deaths and disability-adjusted life-years caused by infections with antibiotic-resistant bacteria in the EU and the European Economic Area in 2015: a population-level. modelling analysis. Lancet Infect Dis 2018). This could be correlated to the historically high use of antibiotics in France compared to other countries.

In the mature markets of Western Europe, healthcare is transitioning away from the traditional paternal model and patients are increasingly taking ownership of their healthcare needs. To what extent is BD able to evolve its offering to align with these tendencies?

As a medical device company, BD is uniquely present through the entire patient journey. The way we are looking at the future and structuring the organization, we can focus on how we can adapt to this trend based not only on our products but also our services. BD’s mission is to not only deliver medical devices but to understand what the future of Health Care will be and to create best practices around our products. Each product is unique and simply creating the device is not enough, we connect each step of the patient pathway – something that sets us apart from pharmaceutical companies.

Using pre-analysis as an example, a private at-home nurse can take a sample and scan it to connect the data through the patient so that when the sample vials are delivered to the lab they can be quickly identified. Additionally, BD is investing heavily in the automation of microbiology. Our diagnostic solutions are able to identify bacteria and their resistances. Now, we are developing new technology to take this automation further and allow for a predetermined distribution of specific antibiotics needed for treatment. This will be an important solution to fight against AMR.

Of course, we have also established a stronger focus on patient safety through four pillars of approach: AMR, health-associated infection (HAI), sepsis, and medication error. More than five percent of patients hospitalized in France will contract an HAI-related infection. Together, these four pillars account for 65 percent of the disease burden in regard to patient safety. Teaching the

health system how to best use our products is not only an industry standard for BD, but it is a core component of our strategy.

France's health system is nowadays often perceived to be a 'follower' rather than an early adopter of medical technology. What is your perception of the capacity of French hospitals and clinics to embrace BD's most innovative products and services?

France is a complex environment with strengths and weaknesses and should not be generalized. It is my perception of the healthcare authorities that they are open to innovation and are not just focused entirely on cost-cutting. However, this governance of innovation is very closely structured around pharmaceuticals. The French authorities are not yet organized to cope with the speed of innovation linked to medical devices. Measuring good practices and health-economic outcomes is more complicated than in pharma and the administrative processes are not adapted to MedTech. The challenge that exists is to how to make evolve the system to improve market access and funding for innovation – taking into account that MedTech can play a key role in advance the healthcare strategy of France.

One of the tops goals of *Ma Santé 2022* health reform is to connect patients with healthcare professionals within certain geographic areas for the sake of efficiency. Medical devices will be a key driver in building this connectivity. I see BD as the link between the healthcare workers and their patients: the catheters, the needles, and most of our products are the interface between those two. We shape their relationship, their emotional bonding by designing devices that guarantee safety, less pain, agility. The MedTech sector needs an administration that can better embrace the rapid evolution of innovation and finance the technology to match the value that it brings.

BD's Pont-de-Claix site in Grenoble manufactures several hundred million glass syringes per year for export all around the world. How is France positioned within BD's overall business activities in both Europe and globally?

In France, BD achieves over EUR 1 billion (USD 1.13 billion) in revenue out of EUR 16 billion (USD 18 billion) worldwide. We have a two-way relationship where France is very strategic for BD and where BD is also a very strategic partner for the French healthcare system. We have over 2,000 employees in France, a strong manufacturing presence, and France is the only location outside of

the US where the group has a global headquarter: for BD Medical's Pharmaceutical Systems unit.

We have been present in France for 60 years and last year we invested EUR 83 million (USD 93 million) in the country last year. Manufacturing of syringes requires a high level of expertise and the quality and education of the labor pool are critical success factors of being able to manufacture and develop. Our site here in France is not only a manufacturing facility but also an R&D center. Glass syringes is not a commodity product – a lot of science goes into the engineering and production processes. The quality of our products is a key factor for BD.

What is the underlying logic behind situating the headquarters of your Medical – Pharmaceutical Systems (BDM-PS) business unit here in France?

Looking at the pharma industry with whom we work closely, most of the drug filling capacity for pharma is happening in Europe. At least two-thirds of this global activity happens here in the region. A majority of our clients are hence in Europe and for example, Sanofi Pasteur, a key player in vaccines, is based in Lyon so very close to our facilities in the Grenoble area. Our customers are also located outside of France but still nearby with many being in Belgium and Switzerland. BD is the biggest medical device player in France – French or international.

What key goal you are aiming to achieve for BD in France within the next five years?

As a MedTech player, our priority is to be recognized as a leading partner in implementing the new healthcare strategy here in France. BD is already well positioned in this regard, but my goal is to build this visibility with the healthcare authorities.

Another goal, maybe a more personal one, is to raise awareness on the utter need for more patient safety: without guaranteeing a safe treatment (via the reduction of medication errors, the mitigation of healthcare associated infections or concrete actions to fight against antimicrobial resistance) there is no treatment at all. BD is a pioneer in Patient Safety and as such, we're committed in gathering all the key stakeholders to lead actions in that sense.

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