Tony Acciarito – President, Thermo Fisher Scientific China



Our people here dare to accept challenges and always try different things

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Tony Acciarito, President of Thermo Fisher Scientific China,

explains how he is delivering the company's mission of 'enabling our customers to make the world healthier, cleaner and safer' in China, the importance of entrepreneurial thinking and agility to the China market, the significant investments they have made here, and his outlook for the future.

Tony, having previously worked in mature markets like Australia, and South Korea, what has been your takeaway from China over the past two years?

The difference is that our organization here is extremely entrepreneurial. Our people here dare to accept challenges and always try different things. You can't say that it has nothing to do with the incredible drive of the market here that always encourages adventure and advancing. Our global assets are also a key factor enabling us to take actions and do it quickly.

Thermo Fisher Scientific globally operates on a very strong '4i' culture: *integrity, intensity, innovation* and *involvement.* How well do these global values accommodate this entrepreneurial spirit here in China?

To better serve the needs of our customers here, Innovation and Intensity have been put at the heart of our culture. While the former enables us to lead the market by meeting the most urgent needs of customers, i.e. industry segments such as healthcare, pharma and biopharma, academic and government research, the latter is a key for us to do it collaboratively and effectively. For example, we are driving a collaborative culture to optimize cross-team synergy and further enhance work efficiency so that we can best leverage our business scale.

The ‘4i’ reflects our commitment to going above and beyond for our customers. With our around 5,000 employees here, our organization works as one team and combines our scale and depth of expertise to enable our customers to make the world healthier, cleaner and safer.

With employee allegiance to Thermo Fisher Scientific’s mission being a key success factor for the global organization, and your personal dedication to bringing the team together, how do you manage the issue of high employee turnover within the industry here in China?

In China, this competition to win talents is certainly heightened because of the fast development of the country. As one of the leading companies in China, we are facing fierce competition when others are certainly interested in our talent pool. Nevertheless, regardless of which country you are in, the key to this talent issue is always to invest wisely in the right people, i.e. retain, develop and empower them with the responsibility to be successful with a career development path. Only then can you build the critical sense of loyalty and collaboration, which was exactly one of the focuses I emphasized when I came to China two years ago. Thereafter, we started focusing more on the career progression of our employees by discussing with them their future professional goals and helping decide the right development strategy for them.

Certainly, such measures are not a panacea. But this is an area where we cannot relent.

Today, China is the second-largest market for Thermo Fisher Scientific globally. What has contributed to this positioning and what is the group’s ambition for China?

Thanks to our customers, China now is the second-largest region outside of the U.S for Thermo Fisher and the fastest-growing one. We attribute it to our mission that starts with thinking about what our customers’ needs and aligning with the specific market needs. What we appreciate about China is that the government’s priorities are very clear. Our strategy is aligned to the government’s

Five-Year Plan and this forms a key part of that focus.

We certainly have ambitions for how we see Asia-Pacific contributing to the overall organization.

Looking forward, our strategy will focus on three aspects: the first is to continue investing in and developing our employees; the second is to continue developing specific solutions for the key market verticals we operate in, namely: healthcare, academic, bio & pharma, and applied markets that are highly aligned with the priorities of the Chinese government; and the third is to drive local “in China for China” innovation and manufacturing coupled with digital enablement to improve reach and customer experience.

Across these four verticals, what is driving growth at the moment and are there other areas in which you feel the company has to invest further?

The biopharma/biotech sector is driving our growth fast since we have compelling solutions to serve our customers in this segment. For instance, we launched a new Bioprocess Design Center in Shanghai in 2018 to bolster our biologics capabilities here. Besides, we are also investing more in other fast-growing areas such as semiconductors, where we also have a very strong value proposition.

Behind the fast-growing segment is the government’s continuous efforts to make healthcare more affordable and accessible, which is exactly the focus of the great ‘Healthy China 2030’ national strategic plan. Besides, the National Medical Products Administration (NMPA) is also accelerating regulatory processes for clinical trials and drug approvals. These dynamic changes here have brought the industry both opportunities and challenges.

As a total solution provider with a current focus on biologics, Thermo Fisher can provide comprehensive support for the realization of the Healthy China 2030 agenda. Our value proposition here extends from supporting scientists and researchers inside the lab to develop a molecule into the finished product all the way to production and commercialization.

To bolster our capabilities here, for instance, in 2017, Thermo Fisher Scientific globally acquired Patheon, a leading CDMO (Contract Development and Manufacturing Organization) business, and now is assessing the possibility of bringing its CDMO capabilities to China where there is an increasing need for CDMO services.

As the local industry matures, how do you assess the increased local competition – and what risks does this pose to Thermo Fisher Scientific's business in China?

You can look at the speed of China's innovation in two ways: you can fear it or you can support it. We choose to embrace the challenges and always support innovation. That's also why we invested approximately USD 1 billion in R&D last year to continue our commitment to innovation.

We are helping our customers and partners to innovate too. We want to support the growth of the new start-ups here and help them achieve success. For example, in the biopharma sector, we have partnered with a number of local organizations and stakeholders that possess the innovation gene but may lack the necessary capital or infrastructure to develop their projects, which include Boren Hospital and Elpiscience on the gene and cell therapy side.

A final message from Thermo Fisher Scientific China?

I am extremely proud of what our team is doing in China. They are truly doing an amazing job by focusing on the needs of our customers here and ensuring that we meet and exceed their expectations.

To work at Thermo Fisher Scientific, you need to be ambitious. When it comes to our customer's success, we are very results-oriented and always want to deliver our commitment of enabling our customers to make the world healthier, cleaner and safer.

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