Kevin Houdenaert – General Manager, Recordati Benelux & Nordics



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Kevin Houdenaert, general manager for Benelux and the Nordics at Italian rare disease, specialty and primary care specialist Recordati, gives an overview of the market access specificities of the markets he manages, the autonomy that Recordati country managers enjoy, and his main priorities for 2020.



Can you please introduce the scope of the freshly created affiliate in Belgium and the markets under your responsibility?

The Recordati Group was founded in 1926 in Milan and mainly focuses on two strategic pillars: rare diseases and specialty & primary care.

Recordati Rare Disease was already present in Benelux since 2007 under the name ‘Orphan Europe’ with the GM based in France.

Two years ago, after the acquisition of Metoprolol from AstraZeneca, in combination with the launch of the antipsychotic Cariprazine from Gedeon Richter, it was decided to start our own organization in the Benelux as well as in the Nordics and Baltics.

I joined Recordati in March 2018 as the first employee in Benelux, setting up the organization and operations from scratch.

We started selling as of January 1st, 2019 and have developed greatly since then. We now have quite a mature structure with offices in Belgium and commercial teams in Belgium, the Netherlands, and Luxembourg.

Although the two strategic pillars are completely separate from a group point of view, locally we decided to share as many services as possible, including offices as well as finance, logistics, and operations departments.

Since November 2019, I have been managing specialty and primary care for the Nordic region as well as representing the five Scandinavian countries for Recordati.

What are the specificities of Belgium that differentiate it from the Netherlands and Luxembourg?

All three markets require a specific tailored strategy, as they are completely different from each other in many different aspects; from pricing to reimbursement, logistics models, generic maturity, parallel trade, and roles of pharmacies, etc.

To give a few examples, once generic competition is introduced in the Netherlands, health insurers drive the off-patent market through tenders and preference policy, therefore you lose 95 percent of the business within four months, whereas in Belgium you need to lower your price but still have 60-70 percent of the units after a few years.

In the Netherlands only 30 percent of general practitioners are accessible for pharmaceutical companies while approximately 90 percent are accessible in Belgium. On the other hand, the

Netherlands is much more digitally mature compared to Belgium, this means the commercial approach needs to be completely different.

Another key difference, in my opinion, lies within pharmacies. There are about 5,000 in Belgium, most of them independent, who are also selling OTC and dermatology products in addition to delivering prescription products. On the other hand, the Netherlands has only about 2,000 pharmacies, meaning four times less pharmacies per inhabitant while most of them are owned by the wholesalers and sell pharmaceutical products only.

You can imagine that all these dynamics completely change the scope for the introduction of a new product and require local commercial knowledge and expertise.

How is the corporate portfolio in specialty & primary care reflected in the Benelux region?

The current local SPC portfolio is mainly focused on Cardio and Gastro. Across the entire group it represents 55 percent of the total turnover, whereas in Benelux these two areas represent 85 percent of sales.

Local growth is currently primarily being driven by Cariprazine, which is a new anti-psychotic molecule, adding the most value by treating both the negative and positive symptoms of schizophrenia. It especially helps with the reintegration of patients into society. Over the past two years, Cariprazine has been reimbursed in all EU countries, except for France and Belgium.

We are selling the product in seven of the eight countries under my remit and patients in the Netherlands have had access since November 2018. It was even the first anti-psychotic to get a positive G-BA assessment in Germany, however, Belgium still does not see the added value.

How difficult is it to create a conversation about the evaluation of products with the government in Belgium?

There is an openness from a process point of view, but a limited opportunity for real dialogue. The government is more focused on new specific innovations like oncology or immunotherapies. For instance, in our Benelux rare diseases unit, we sold six million EUR last year, out of which only 0.8 million in Belgium, because most of our molecules are not reimbursed in Belgium while they are in the Netherlands.

On top of that, budget cuts are often made on older mature products since innovation is considered to be crucial and big innovative pharmaceutical companies have a lot of power with huge investments in R&D and important manufacturing sites in Belgium. It is very difficult for pharmaceutical SMEs to get on the agenda for a discussion and this absence of dialogue makes it difficult to have long term success in our country.

What do you consider as the most important changes needed to shift the dynamics and create a more balanced pharma market?

The dialogue should be more open for sure.

I am a member of the SME-G10 Board of Pharma.be which is covering all small to midsize healthcare companies represented by players like Chiesi and Gedeon Richter. Although we are a very large and diverse group we have limited visibility and small dialogue options individually.

A transparent and open dialogue would allow Recordati Belgium, together with the authorities, to give access to Cariprazine to 60,000 schizophrenic patients in Belgium.

What are your main priorities and challenges for 2020?

This year, we aim to double our sales again, reaching EUR 18 million sales, evenly split between rare diseases and specialty and primary care so commercial excellence will be crucial at this stage. On top of that, we need to become fully mature from an operational point of view and continue building processes and policies.

I see a lot of growth opportunities in the Benelux, through global and local deals or partnerships. We are growing fast and are not a start-up anymore but one of the main challenges is to keep acting fast and in a simple way. In my opinion, our agility is where we can make a difference as an organization.

Your CEO Andrea Recordati announced a three-year business plan starting in 2019 which includes pursuing an intense but focused M&A strategy to help drive growth. Can Belgium be a scouting ground for potential partnership opportunities for Recordati?

An atypical part of Recordati’s DNA is that it stimulates local entrepreneurship. Within three weeks, you can be in the CEO’s office, convincing our top management to invest in local projects. In the past two years, I already presented three concrete business cases for local opportunities and now we are close to signing one of them which would bring great local opportunities. This is very specific to Recordati and one of the main reasons I joined the company.

What advice can you give to a general manager who has to oversee operations across multiple markets or a cluster for the first time?

First of all, as you can read above, it is crucial to have the right commercial structure with knowledge and responsibilities divided per country while sharing operations and services as much as possible amongst the countries.

What really makes the difference for me personally is having passionate people on board. I had the unique opportunity to choose every single one of our employees until now. I do not care about CVs but really look at their personality and drivers. I look for solid decision-makers, passionate and open-minded people, who act in everything they do like it is their own business.

I am extremely proud of what the team has achieved up to this point, but I am now especially looking forward to growing Recordati’s presence in the eight countries I manage to become a very solid entrepreneurial company where people share a passion for growth**.**

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