

Salvatore Butti, General Manager & Managing Director Italy, EG STADA



STADA has changed a lot in the last three or four years ... One aspect of that change is growth, but more importantly, how we achieve that growth. We have our heritage in generics, but we are building new assets with consumer healthcare, also in Italy, and with the launch of biosimilars and specialty products.

01.08.2022

Tags: [Italy](#), [Europe](#), [EG STADA](#), [STADA](#), [Generics](#), [Biosimilars](#), [Consumer Healthcare](#), [OTC](#)

EG STADA's General Manager & Managing Director Italy, Salvatore Butti, explains the company's strong heritage in generics, the solid presence it is developing in consumer healthcare with new acquisitions from GSK and Sanofi, and its biosimilar and specialties market inroads. In addition, he tells us about the STADA Health Report, a survey of some 30,000 people in 15 countries to find out their views on healthcare.

You started at EG STADA in 2019 and this is your first experience as a country manager. How has your wealth of industry experience prepared you for the role?

Yes, I joined in September, 2019 and it was my first time as country manager because before EG STADA, I was responsible for the business unit of generics and OTC products at Teva as BU lead director. My previous professional experiences have allowed me to work in different areas of the pharmaceutical industry. Past experiences have been very helpful for me to manage strategy, considering the complexities related to the different dynamics of the businesses, from the OTC products to equivalent drugs and specialty brands, from pharmacists to the medical class and hospital world. In addition, the opportunity to work in multinational companies has certainly been very useful for my professional growth, having to deal with dynamic and ever-changing contexts.

What were your objectives when you joined and how did these align with the company's overall "One Stada for Growth" strategy?

STADA has changed a lot in the last three or four years at a headquarters level and also on a country level. One aspect of that change is growth, but more importantly, how we achieve that growth. We have our heritage in generics, but we are building new assets with consumer healthcare, also in Italy, and with the launch of biosimilars and specialty products.

Along with "One STADA," are the values of the entire group: integrity, agility, and entrepreneurship, which are linked to the concept of "One STADA for Growth." Thus, they are linked to the empowerment of people – both as individuals and as a team – who contribute to creating opportunities for growth and value for the company.

This is characteristic of STADA at a global level. An example is the STADA Health Report, a yearly survey which enables us to understand citizen's views on health-related issues, share that information with all of our stakeholders, and look for answers—always from the perspective of caring for people's health. The 2022 edition, which surveyed 30,000 people in 15 countries, was presented on July 8. 2,000 people, ordinary citizens, not doctors or healthcare professionals, were interviewed in each country with the aim of investigating the long-term effects of the pandemic crisis on physical and psychological health, gaging their level of satisfaction with and trust in conventional medicine and healthcare systems. In September, we will present the Italian results of the report.

Were there any outstanding findings in the report you would be willing to share with our audience?

An important finding was a decreasing level of satisfaction with services provided by national healthcare systems. Another was that one in six Europeans feel they are on the verge of burning out with stress levels on the rise; declining quality of sleep. They also reported difficulties in getting doctors' appointments.

In many ways, Europe appears to be on the brink of a health crisis. On the other hand, more than half of the Europeans interviewed are looking to eat more healthily, and around a third are willing to take supplements to support their diets. The majority still regard their mental health as good, and three in five Europeans feel their country's healthcare system performed well through the strains of the pandemic.

Going back to Italy, how big is EG STADA Italy and what are the affiliate's main business areas?

In Italy, EG STADA is the fifth company in the pharmaceutical retail market in units and the sixth company in terms of value. We have a strong heritage in generics and we are developing a solid presence in consumer healthcare . We also have a large pipeline in the biosimilar and specialties market. Italy is the third country inside the STADA Group, so it is an important country and we are growing steadily.

What specific factors are driving growth in Italy?

In the generics market we are growing more than the market because we have changed our go-to-market model. In consumer healthcare there are the new acquisitions from GSK and Sanofi - specifically, Venoruton and Duofilm from GSK and Lisomucil and Lisonatural from Sanofi - which have helped to strengthen our portfolio and growth in Italy. All of these brands are historical and pretty well-known brands, representing for us a good opportunity in terms of penetration. These are factors, but we have also experienced strong organic growth, which represents more than 85 percent of our growth. One of the most important components of that is our team, the commitment of our team to work as one and because of that I think we have created a stronger team in Italy.

You mentioned that changing the go-to-market strategy has driven growth on the generics side of the business. How exactly has it changed?

We are working in partnership with our stakeholders, visiting GPs and specialists of course, and at the same time visiting pharmacies. In this way, both doctors and pharmacists can have synergy and work in an interactive relationship to grow together. We are also putting in place a lot of activities to confirm our value proposition through several brand awareness initiatives in Italy. This is new for the company and if you look at the data, the presence of EG STADA in the market is important.

In your view, should the Italian government do more to impose generics like in Holland and Germany, introducing legislation to ensure that generics have more precedence?

In my opinion we have a good healthcare system in Italy. Penetration is low, about 30 percent, but if we consider that the generics market in Italy started with a delay compared to other countries in Europe, or the USA, we are still making up that time, but the system in place is a good one.

What are the main dynamics of the OTC market in Italy and how do those dynamics favor the EG STADA portfolio?

With respect to the consumer healthcare market that includes OTC but also medical devices and supplements, STADA is the fourth company in Europe with a strong presence as a group. In Italy we have been building our business with the acquisitions I mentioned from Sanofi and GSK, and from Johnson and Johnson a few years ago. The market is very competitive here. THE consumer healthcare market is good in Italy in general although the pandemic had a strong negative impact on Cough&Cold but at the end of 2021 it began picking up.

How important is EG STADA's specialty pharma portfolio in Italy and in what therapeutic areas does the company have the strongest position?

We started three years ago with the launch of our biosimilar of Teriparatide, and this year we became leaders in that market. We have launched other products, oncology products for example. However, what is driving that business is the strong pipeline for the next few years. We are also building our internal structure in marketing, sales and the medical department for that pipeline in 2023-24 and the following years. We are still at the beginning of that journey, but the company has changed a lot in the last couple of years.

The company's portfolio is changing. How does this evolution relate to EG STADA's growth?

Our objective is to grow in the generics market. In Italy there is a huge opportunity because we have to conquer 70 percent of the total market that currently is off patent in the brand market. We have to continue to build our consumer healthcare portfolio thanks to organic growth but also with mergers or acquisitions. And the third area is specialties because we have to build a stronger pipeline in the next three or four years.

To build all of these capabilities you will need to bring new talent onboard, perhaps attracting people from other pharma companies. How will you attract them to a company like EG STADA that may still be perceived as purely generics and OTC?

I fully agree but at that same time, I think that in general, you can recognize a company not because of its turnover, but because of its behaviour. For us, it is important to be coherent with our company purpose and this is also one of the reasons why we are also investing in growing the awareness of our brand. Of course, we would like to have the best capabilities and team in the industry.

Does managing change require a certain leadership style?

Yes, and we need to use our values, agility and entrepreneurship, because we have to manage change and be able to react immediately when we have uncertain situations. It was the same when COVID hit Italy. The first cases in Europe surprised us and we did not know what COVID was, but no one knew in Europe either. Our reaction was to organize ourselves in 48 hours and create the conditions we needed to be able to go ahead with our activities and our business. I think this is characteristic of our company's agility and entrepreneurship.

[See more interviews](#)