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Accord Healthcare's Stefano Christoffersen outlines the strategy that has led to Accord becoming one of the fastest-growing generics and biosimilar companies in Europe, why the firm has chosen to focus on the hospital generics niche, and his hopes for continuing to meet unmet patient need in Belgium in the coming years.

Could you begin by introducing yourself and the operations of Accord Healthcare in Belgium to our international audience?

I have worked in Belgium my entire career after studying economic sciences at the University of Brussels. At the start of my career, I gained experience working within finance departments before transitioning over to commercial when I joined the pharmaceutical world with Abbott. I joined Accord as country manager in 2017, with the company's Belgium offices having only opened three years prior in 2014.

At the start of my career with Accord Belgium, our business was centred in the north of the country, our strategy was very simple to grow and evolve Accord's footprint across Belgium. Our focus has always been to ensure that we continue to deliver high-quality medicines to patients at the point of need. I am delighted that six years on, within our core business of hospital generics, we are the number one provider of oncology generic products and number three overall if you consider

innovators.

There is a similar growth trend in our other affiliates with Accord being ranked top 3 in the Top 25 hospital generics players in Europe, with a number 1 status in UK, Spain, Italy and Ireland and top 5 status in most of the EU countries.

Given this impressive growth trajectory within Belgium under your stewardship, how important is the country to the European group today?

Accord Healthcare as a group has grown rapidly to become one of the fastest-growing generics and biosimilar pharmaceutical companies in Europe, and our ambition is to ‘make it better’ through our mission to ensure patients gain access to high-quality and affordable medicines throughout Europe.

When I joined Accord in Belgium, it embraced the dynamic atmosphere of a start-up while adhering to a robust strategy aimed at expanding our product portfolio to cater to patients’ needs and provide support to healthcare professionals within the hospital segment. Our remarkable growth not only strengthens our affiliates throughout Europe but also aligns with our collective efforts within a cluster that encompasses the Netherlands, Germany, Austria, and France, with the latter hosting our regional headquarters. Our dedicated team at the headquarters oversees product selection for the market, tailoring it specifically to Belgium’s requirements.

How challenging was it for Accord to penetrate the hospital market and make its presence felt in that segment?

It was tough due to a few key aspects. Firstly, based on previous operations in Belgium, we had to ensure that we delivered what we said we would in terms of supply reliability. The impact of this meant that we had to ensure that we did meet our supply responsibilities and really focus on becoming a trusted partner with healthcare professionals in the hospitals, today our presence is ranked as number 2 with a year-on-year growth of around 45 percent.

Secondly, our footprint was only focused in the north and Accord was not well known or established in other parts of the country, so we had to concentrate our efforts on building our reputation and presence with the hospitals across Belgium. Our main aim has always been centred on the patients and how we can improve healthcare across Belgium, which has borne great results as shown in our hospital business today.

Innovation is at the core of the business in Belgium, we want to continue to meet unmet needs and innovate for patients and healthcare professionals that want a better solution. As part of this, we are committed to continuing to build out our oncology division to offer patients a broad range of options to cater for every step of their cancer treatment journey – as a result, we have one of the most active launch programmes in European generics segment (34 percent in Oncology)

At the core of our business is generics and, as part of that, day-one launches are all important. By focusing on day-one launches we have been able to continue our organic growth in the Belgium region with no acquisitions.

Given the idiosyncrasies of tendering systems across the world, how easy is the Belgian system to navigate, and how suitable is it for a generics company like Accord?

In Belgium, around 80 percent of the generics hospital market is made up of tenders, when we win a tender from the purchasing group it consists of around 10 hospitals you secure your supply for quite a long timeframe, usually for around 4 years. This can be quite challenging both in terms of economic challenges and the ability to retender if you do not win due to the timescales of the tender. For example, when we talk about economic challenges, our industry like others has been impacted by the inflationary challenges felt across Europe, and the rest of the world. It is no different for generics, and when we are in a situation where the pricing is locked in, with no flexibility from the hospitals to rework the pricing it can be challenging.

In many cases, there are a plethora of factors that impact a tender decision beyond pricing alone. What factors are taken into consideration by the purchasing groups in Belgium?

It is dependent on the criteria of the purchasing group, and this can vary, many base their decisions solely on price, and a key point here is the economic impacts I discussed earlier, we believe as a company that we should redefine success based on value not on price. Which is called the MEAT concept (Most economically advantageous tender.) This is based upon the principle that if we look solely at price, it becomes a ‘race to the bottom’ this can have disastrous effects in medicine shortages where price is the only criterion. We know that it is common in the generics industry that risks in paying penalty clauses in not fulfilling tenders make it sometimes harder to warrant the business case to win the tender, this in turn is impacting our whole industry with

supply shortages becoming more apparent.

We want to move towards having more principles that involve service, product quality, security of supply and CSR (Corporate Social responsibly) the latter of which Accord has an award-winning strategy for becoming part of the criteria of the tender process.

We were pleased to see the European Commission's recent report on Public Procurement of Medicines, which advocates for stronger considerations of factors beyond just price.

Accord as a group is working alongside Medicines for Europe which continues to lobby for policy reforms and developing more open conversations with governments across Europe around regulatory flexibility, and introducing MEAT principles to tendering taking into account current inflationary pressures, with the ultimate aim to support a more sustainable generic and biosimilar industry

There are plans to restructure the hospital system in the upcoming years. How do you believe this will impact your operations?

There is a move to have hospitals that are more highly specialised. For example, instead of having three separate hospitals buying oncology products, there will be a single specialised oncology hospital. Therefore, business could be done with a smaller quantity of hospitals, but still, the tendering will be done by purchasing groups. So slightly different yes, but I believe it will not have a drastic impact on pricing or how we deal with relevant stakeholders.

Evidently, based on your sales numbers your focus is mainly on hospitals. Is this the plan moving forward, and if so, are there any exciting launches to look forward to?

Within Belgium, hospitals generic will continue to have our full focus. However, as mentioned earlier, innovation is key to the work we continue to do to ensure that we meet unmet patient needs. Our focus on oncology is a huge part of that and one of the areas that we want to make a difference in is bringing new products and solutions to cancer patients. An example of this is our soon-to-be-launched innovative prostate cancer treatment. This product will be the first oral therapy for its indication in Europe. The company has already been able to have the product on the market in Austria, Germany and the Czech Republic.

Accord currently has 13 Oncology Speciality brands in its advanced stage pipeline including Biosimilars through its Speciality Brands Portfolio. It is an exciting time ahead.

Biosimilars are a logical next step for any large generics company. How is Accord Belgium approaching this much more complex and expensive field?

Around four years ago the overall penetration of biosimilars in Belgium was quite slow, however, we are seeing a large shift in the mindset of healthcare professionals in hospitals and how biosimilars are viewed.

At Accord we aim to meet this need and I am pleased to say that in Belgium we have four biosimilars that have achieved reimbursement and of which we have launched two. With one of them, we have reached a significant market share in hospitals which is exciting and contributes to our overall growth. The other is steadily growing, and we continue to work with the local government to lobby for flexible pricing options.

Looking ahead, where will we see Accord Healthcare in Belgium in the next few years?

We will of course continue our strategy to ‘make things better’ for patients and healthcare professionals, I personally want to continue to drive innovation and meet unmet patient needs, and of course, we must continue our collaboration with our partners and work hand in hand hospitals to deliver our medicines to patients. The company is evolving with the introduction of our innovative prostate cancer therapy, and although we are moving towards diversification, generics will remain a strong pillar of our business.

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