Serge Kemps – CEO, Nipro Europe



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23.06.2023

Tags: Belgium, Nipro, Medtech, Europe

Nipro's Serge Kemps explains how the COVID-19 pandemic and its after-effects led the Japanese-headquartered medtech firm to diversify its offering beyond its traditional area of focus, renal care, and establish a footprint in interventional cardiology. Kemps also outlines some of the challenges of moving towards a truly value-based healthcare system in Belgium and Europe, and the role he sees for companies like Nipro in helping build it.

How has Nipro evolved in Belgium since our last meeting, just prior to the outbreak of the COVID-19 pandemic in 2020?

The world went through a strange period with COVID, and we are still feeling its effects even in the post-COVID era. It all had a significant impact on our business and how we were able to perform as a company.

Considering that Nipro primarily operates in the field of renal care, particularly dialysis treatment, our patient base consists of individuals in a vulnerable state. Regrettably, a substantial number of these patients lost their lives due to COVID-19. Consequently, the decline in the dialysis patient population had a significant negative impact on our business throughout various global markets, spanning beyond Latin America and India.

On a business level, this led us to the realisation that, despite being a top global player in renal care, it is unwise to be so dependent on one specific area of care. We have therefore moved to diversify in the past couple of years. Nipro already had diagnostic products for diabetes care in its portfolio, as well as a variety of products for home infusion therapy and general hospital treatments. However, they represented only a limited percentage of the company's overall sales numbers.

Therefore, last year Nipro invested and increased its activities in the interventional cardiology niche. We are now in the process of launching innovative imaging products developed by our companies in Boston, USA. Both in Europe and in the Middle East we are receiving positive feedback from the physicians and are really excited for what comes next…

When moving into new therapeutic areas, you are dealing with different stakeholders and medical professionals. How has this shift been for Nipro in Belgium?

It has not been easy. Interventional cardiology is a different therapeutic segment requiring specific knowledge and expertise for which we recruited dedicated teams. But once you start meeting new people, you begin constructing a mini network and it magnifies from there. They are now extremely busy launching our new products throughout the territory.

One of the many advantages of Belgium is our somewhat central European location. We have hired people from all over Europe, diversifying our approach, and they come to our headquarters offices from various European countries on a very regular basis. The growing trend of digitalisation has really boomed during and post-COVID, allowing many operations to be conducted remotely. It is a completely different work and hiring landscape to what we have experienced in the past.

Many of your colleagues have mentioned the ever-growing trend of digitalisation. What else is Nipro doing to bring itself further into the digital age?

In 2019, Nipro acquired a software company called Nephroflow. This was the name given to the software that was used in Belgian dialysis departments in hospitals, so we renamed the company to Nipro Digital Technologies. This was a more general name for all the technologies we want to develop and has allowed us to accelerate growth internationally.

If you look towards digital healthcare, it is all about data and many medical device companies are working towards how we can utilise data to measure and predict the outcomes of a treatment.

Standardizing the definition, measurement, and collection of outcome data enables more effective comparisons across providers and health systems.

At the individual patient level, measuring outcomes can be utilized proactively. It aids in shared decision-making, determining the most suitable treatment or intervention, and monitoring and discussing the progression of the disease.

For healthcare providers and the overall health system, outcomes are predominantly employed retrospectively. Providers can compare and benchmark their performance, identify best practices, and internally enhance the quality of care.

On a broader scale, at the health system level, outcomes serve various purposes. They are instrumental in evaluating the effectiveness of interventions, care models, and pathways in real-world settings. Additionally, outcomes inform the improvement of treatment guidelines and play a role in shaping value-based payment models.

Nevertheless, for all of this to come to fruition we need the ability to obtain and use the data, and this is where digitalisation will come into play. Within Nipro this is one of our key focus areas.

At what stage do you believe Europe is at in terms of the journey towards value-based healthcare?

We are not there yet, but this really differs from country to country and also within each therapeutic area. It is a common topic we all discuss at the European level, and we must bring that message across to the governments so they are convinced and will put in place concrete steps towards building such a system.

Are there any other big trends you are noticing in Europe?

The big two are the aforementioned move towards value-based healthcare and digitalisation.

Europe is the frontrunner in launching renal care innovation and the value of products is very well respected. Today we are winning hospital tenders or even national tenders in European countries because the overall package and value that we present is convincing stakeholders. We are not

about individual products but rather combinations or solutions that bring about high-quality care for patients.

Digitalisation will also result in elevated patient care, as well as fewer human errors, and more time for the patient (especially in times when human resources are increasingly becoming scarce).

The EU's post-COVID recovery funding packages all include provisions for healthcare improvement; where do you believe these funds will be best spent to ensure nations get the best bang for their buck?

The easy answer is a higher reimbursement amount. Saying that, the aforementioned introduction of a value-based healthcare model is the key as this will reduce medical costs in the long term and in turn save the government money. For example, lowering a patient's time in the hospital saves money, frees up a bed, and allows that patient to go back to work quicker. This is just one case, but it is an obvious example that all efforts and focus should be put towards establishing a platform in this area and also ensuring there is a clear and consistent understanding of what is considered value.

But apart from the medical care one should also focus on and invest in preventative care. For instance, this is exactly where our vascular portfolio is centralized around. We aim to predict and prevent major cardiac events.

Finally, we have also witnessed a shortage in medical staff, mostly nurses, which is driving up home care. The difficulty is that confusion still exists about how reimbursement works with homecare, which has brought about investment hesitation from companies. We need home care clarity so everyone involved can benefit.

How would you assess the current level of the Belgian healthcare system?

We have a high level of care here. Traditionally, a lot of the decision-making power was in the hands of doctors. This has shifted and hospital tenders have a much broader set of criteria. Within our field this takes into consideration the opinion of nephrologists, nurses, procurement bodies, and training and education departments.

Digitally, Belgium is moving ahead quite well, though is still behind some other European nations. For example, our software is installed in quite a significant number of hospitals. Medical

professionals are valuing our systems as the nurses can better treat the patient and nephrologists can monitor and adjust the treatment of patients from a distance. This data will then be able to be used further down the line to establish the aforementioned value-based healthcare.

Given your position as Nipro's Europe lead, how do you see the company evolving across the continent?

Renal care will continue to be our bread and butter and we want to maintain our top three position within the field across Europe, with an even higher positioning in certain nations.

Europe is a key continent for us, but we are also responsible for Africa. I recall that less than 10 years ago, in Africa we had 2 distributors and 1 branch. Today we cover the vast majority of the continent, either through distributors or with our own people. Performance-wise, we see Africa as having immense potential, despite us already being a top two player in many of the countries we are already present.

Another point is that up until now we have always solely been a provider of dialysis supplies, despite many of our competitors having invested in running their own dialysis clinics. However, we have now moved to set up dialysis clinics in South Africa which have several benefits. Firstly, through these clinics we are able to control the entire value chain of care, and secondly, we noticed many of the clinics over there were independent and at times the level of care was below par. We have brought South African dialysis to the next level, and this is a good stepping stone to doing the same in other African countries if the opportunity presents itself. We have branded ourselves there as Universal Renal Care.

In terms of where the company will evolve in the future, for sure we will look to focus and grow our new therapeutic area of interventional cardiology, both with new products as well as through potential acquisitions

Having been in your role for five years, what legacy would you like to leave behind when the time comes to move on?

We have built a strong team in Europe and Africa. Our Japanese concepts of Willingness and Sanpo Yoshi (Good for Everyone) are truly embedded throughout the entire organization. I cannot stress this enough. While our products are of the highest Japanese quality, the company's strongest

assets are our people. Every day they give the very best of themselves to support our mission and to serve our patients. I consider it my task to make sure we have the right person in the right seat.

My goal is to introduce the proven Japanese standard in dialysis treatment to Europe. By adopting their practices, we can make a profound impact, drastically extending the life expectancy of patients on dialysis. This achievement is aligned with the principles of value-based care; a concept that I want to play a role in with Nipro here in Europe.

With this in mind, I also strive to fulfil Nipro’s overarching promise which is for everybody to “Live Longer. Live Better.” This vision will not only enhance patient outcomes but also position our organization as a beacon of innovation for the future, also after my time has come to move on.

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