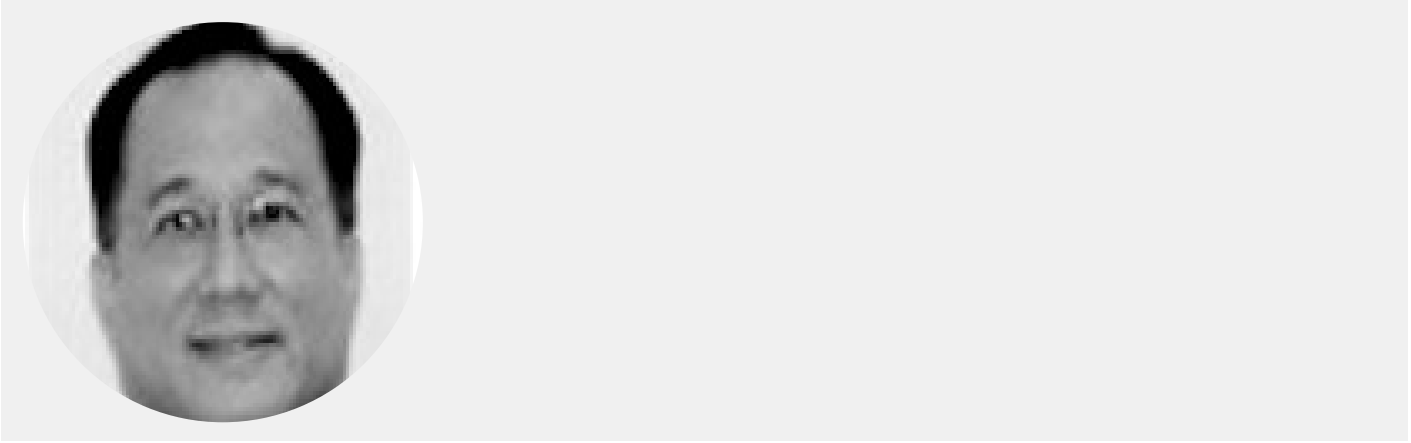
Interview: Pedro Miranda Jr., General Manager, Pacific Healthcare Philippines



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Pedro Miranda Jr., General Manager of Pacific Healthcare Philippines, talks about the decision to join Pacific Healthcare in the Philippines, how the company's diversification strategy has evolved over the past two years, and what's in store for the company in terms of new principals and partnerships in the next five years.

Before joining Pacific Healthcare you have been in various positions at multinational and international companies such as Novartis and Schwarz Pharma. What sparked your interest to join Pacific Healthcare, a healthcare service provider with head offices in Thailand?

Pacific Healtchare is the fourth company I have joined in my career. Back in the 1990s, I focused on growing my career with Ciba-Geigy and Novartis. When I left Novartis as their Vice President for Sales and Channels, and the salesforce was around 270 people-strong, I knew very well how to converse with and understand medical representatives, particularly because I have been in their shoes. This formed a strong skill set to become the Country Manager for a smaller but growing international company like Schwarz Pharma. When DKSH knocked on my door in the mid 2000s, I entered the role with a very different perspective: that of a service provider to the pharmaceutical industry.

That being said, when I was being interviewed for Pacific Healthcare early 2007, I knew I already had an advantage because of my experience with a large MNC like Novartis, a smaller organization like Schwarz Pharma and a big service provider such as DKSH. Pacific Healthcare was in its start-up phase at that moment, which was a new challenge to me. I eventually started as their Pharma Head in 2007 and subsequently was appointed General Manager in 2012.

Today, we have around 17 principals as suppliers and another five in the business development negotiation stage. Since two years, the vision of the group has changed from being ‘a one-stop solutions healthcare service provider to becoming ‘the most valued and trusted diversified healthcare solutions provider.’ The diversification aspect refers to the fact that we have now started looking beyond the pharmaceutical industry and now include food, medical equipment & devices, eye care, and a number of other areas as our partners and potential partners

We have been looking for complementary products to ensure that our representatives can carry and add them into their current portfolio. At present, we already act as a full agent to half of the 17 principals we currently represent in the Philippines.

Has this diversification strategy already changed the profitability and revenue model for your organization in the Philippines?

Although it is too early to speak about numbers now, we already have a milk product from New Zealand available here. It is the only infant and baby formula from goat’s milk that has been made available in the Philippines. As an organization, at USD 2.5 million revenue, we are still relatively small and growing in the Philippines. We aim to turn these operations into a sustainable and robust organization by 2015-16.

What arguments do you bring forward to become a full agent of your principals?

We have local expertise in the Philippines, through an experienced set of managers that all come from established MNCs in the market. They are very familiar with concepts such as sales productivity and sales force effectiveness. As a growing company, we really target a win-win model where our principals can grow together with us. On a personal note, it also helps significantly that I can bring forward previous experiences from companies such as DKSH, Novartis, and Schwarz Pharma

Would you say that people form the key asset to ensure a successful relationship with your principals?

I would certainly think so. In this sector, a lot of successful partnerships can turn into long-term relationships between the people behind them. The healthcare sector works on trust, and knowing the right people is essential, especially for Filipinos that come from a close-knit family culture.

What are your top priorities as the general manager today?

People development, particularly medical representatives, will remain a focal point to us. Having the right representatives is particularly important since we are so focused on the prescription side of the market. In total, we now have 82 staff in the Philippines, around 80 percent of which are in marketing and sales related positions.

The challenge, of course, is to retain the talent we develop. Out there in the field, it is very easy for other companies to notice the quality and capabilities of our people. This is why people and career development is also so essential within our organization, as it helps talent retention. We do not want to become the training ground of the MNCs.

How do you attract new principals? Are you the one actively going out on the hunt, or do they approach you most of the times?

Foremost, we leverage a portion of the principals that the group already has in Thailand. Out of the 17 principals we have, around five of them are also our partners there.

Second, I have brought with me a number of principals whom I already knew at the time that I joined Pacific Healthcare a few years back. There were about three companies in that category.

Third, there is a number of principals that come through direct word of mouth, networking, new business development efforts, and so forth.

You mentioned a varied career path, in different positions and with different companies across the value chain. What drives you in your current role?

At present, I really have come to enjoy seeing people grow in their careers. One can help to grow people by sharing his/her knowledge and experience. When I first joined Pacific Healthcare, the Philippine subsidiary was brand new. Logically, we did not have many systems and processes in place. There is no standard process to take a new principal on board. There were no enterprise resource planning (ERP) systems, and everything had to be designed or set up from scratch. We designed our own formulas, rates of returns, payment terms, cost of money, and many other variables. The fact that these homegrown templates are still being used today by our people gives me great satisfaction.

Is the future bright for Pacific Healthcare in the Philippines?

I would like to believe that the future is bright here, not only for Pacific Healthcare, but for many other companies of small to medium size as well. We are a growing fish in a growing pond. It is always good to consider partnering with companies like Pacific Healthcare. We have the right people with the right experience, play on the ‘good side’ of the MDRP, and will continue to capitalize on the booming branded generics niche.

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