# Interview with Philippe Vandeput, Managing Director Northern Europe, UCB – Belgium

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**UCB was founded in 1928 by Mr Emmanuel Janssen in Belgium, what spirit would you say its founder left behind and what core values unique to the company were you asked to perpetuate?**

Having been with the company for the past five years, it quickly became clear to me that Mr Janssen's and Mr Doliveux' essence of placing patients in the spotlight really resonates within the organization. Patient centricity is a fundamental element not only of our commercial activities, but it is also an integral element of our R&D processes in which patients are frequently involved. I believe that it is this heritage that is driving quite a number of our activities across a range of departments. By no means is this merely an often recited hollow slogan; we are continuously striving to integrate patient inputs in a wide variety of our activities.

On the other hand, my core values are focused on the people that make up UCB since I firmly believe that people are the ones still making a real difference across the organization into our patient's lives. That is, as a manager I am focused on nurturing an environment that is conducive to teamwork and ensures individual talents can flourish across our business units and markets. Together with a strong patient focus, this makes up the foundations of the values that I intend to perpetuate at UCB.

**Globally, what are your most prominent growth regions & which will be the most challenging or complex countries to deal with in the future?**

With the recent launch of our three new brands – Cimzia®, Neupro® and Vimpat® – I would say that we can consider the entire world as growth region.

Conversely, about a decade ago UCB dangled over the so-called ‘patent cliff’ with the patent loss of Zyrtec® and more recently Keppra®, a few years ago. The big impact of the latter is now almost behind us and this suggests that practically in whichever country we launch new products those markets will become UCB’s growth areas.

Cimzia®, Neupro® and Vimpat® are now well into the growth phase in the US and Europe and the company is now gearing up to ensure that Japan, Latin America and the emerging markets are ready to embrace these new growth products as well.

**UCB is among the handful of companies that managed to break into the global marketplace but with the key distinction that it did so entirely on its own without being absorbed by global giants. Having said that, how as your independent status helped shape the success story that UCB is today?**

I believe that UCB’s independent structure and its comparatively smaller size can certainly be considered as one of its assets. These qualities allow us to be quite agile as a company; able to rapidly respond to the changing environment which is a big advantage in today’s turbulent marketplace.

Likewise, we have recognized that we do not have the capacity to do everything on our own given our size. This encourages us to seek the best external partners to complement our expertise. I believe this represents a great opportunity to explore new ideas and engage in open collaborations. Moreover, since financial resources are limited, UCB is an extremely cautious investor that is mindful of the investments and partnerships it seeks, developing only the most value added projects. Furthermore, it does so with an eye towards engaging in active collaborations designed to build upon and complement our expertise.

Hence, I think that UCB’s flexibility and its ability to partner with the leaders in the industry – including universities such as Harvard, Oxford as well as locals such as K.U. Leuven or the University of Liège– that endows us with a unique strength and positioning as a company. This certainly helps us to forge ahead and maintain our independent corporate structure with a rich early- and late-stage pipeline.

**In 2011 UCB was the largest Belgian investor in R&D across all industries. What motivates these decisions to continue investing in the country in light of increasing competition from emerging nations?**

Belgium as a whole offers a range of unique benefits. For instance, the educational system here satisfies the highest standards and produces highly qualified professionals in various fields. In

addition to this, in terms of attracting foreign talent (particularly for researchers since Belgium is a hub for R&D), I think that Belgium is also an appealing destination for expatriates to reside in. Altogether, this provides us with access to a great pool of talent to fuel our R&D, manufacturing and even commercial activities.

Another important element to consider is the openness of government authorities to partnering with the industry. This is partly a result of the government's aim of creating an attractive investment climate and setting up the foundations for the healthy development of the biopharma industry.

**UCB recently launched its €65million biotech plant in Braine-L'Alleud in the Walloon region. What does this tell us about the importance of biologics for the future heading of the company?**

This is a testimony to our commitment to Belgium as it is an integral part of our success. Moreover, as UCB is primarily focused on the immunology and central nervous system (CNS), this investment further strengthens our strategic focus on the immunology and biological aspects of the company.

**What specifically attracted you to make this investment in the Walloon region, as opposed to the Flanders or Brussels Capitol regions?**

For a long time running, UCB was planning on setting up a biotech plant in Belgium. Since Braine-L'Alleud has always been a strategic site for UCB considering that we have a key R&D and production facility there, among others, employing more than 1,500 people. You could therefore say that the biotech plant was a missing part of the puzzle which we have finally put into place.

**More specifically however, how would you rate UCB's local performance in relation to your regional operations and what is the significant of Belgium to your worldwide operations?**

In terms of performance, UCB's global operations are more or less in sync with our local performance with few divergences between the two. As I mentioned earlier, In Europe we are still, experiencing the effects of Keppra's® patent loss, which is to be recouped through the growth of our new products. Fortunately, these new products' performance levels are very much in line with our expectations and they are gradually compensating for the patent loss. Nonetheless, although our performance is quite satisfactory, we are an ambitious company and we will strive to realize continuously better results.

Quantitatively, Belgium contributes about 1% to the global revenues of the company. However, this does not effectively capture the important role the country plays in UCB's operations. After all, Belgium is home to our corporate headquarters as well as our strategic production sites, our new bio-plant and a CNS research hub in Braine-L'Alleud. In addition to this, we have a multitude of collaborations with academia and other partners, totalling more than 130 alliances. Therefore, the importance of sales in relation to the importance of Belgium as the foundation of the company is

minimal.

**Can you tell us more about your CNS research hub in Braine-L'Alleud?**

As mentioned earlier, UCB is focused on two core therapeutic areas: in immunology, with a site in Slough (UK) which houses the immunology research hub, and in CNS which is based in our strategic Braine-L'Alleud site (Belgium).

**You mentioned earlier UCB's extensive collaborative activities with local academic institutions and commercial partners can you highlight some of the most prominent ones that come to mind?**

We recently sealed a collaborative research agreement in the field of immunology with K.U. Leuven. Within this framework, our researchers from both organizations will work closely together for several years in an attempt to develop therapies for patients with serious immunological disorders. We also have a similar promising collaboration with the University of Liège in neurology.

Moreover, we do have a vast number of other alliances in our field of expertise. These are linked to specific research projects across a variety of departments within Belgium's leading academic institutions and research centers. Furthermore, we are also active in partnerships that are not immediately related to product development. That is, UCB supports and invests in a number of universities in clinical development but with a focus on improving patients' quality of life and understand how their diseases impact their lives and ultimately how this can be improved upon. Thus, we are not only involved in supporting pharmaceutical drug developments through investments and alliances, but we are also endorsing academic research focused on other domains. This is sometimes a forgotten element in the process of providing care for our patients and helps to bring the patients perspective into the scientific community.

**Given the changing market environment, biopharmaceutical companies need to adapt not only their commercial activities but also their research models in order to create truly value added innovative products that demonstrate both health and economic benefits. How is UCB adapting its research model in this regard?**

As such, I think that the research model is not dependent on the perception of the payers but rather on how an organization deals with the process and evaluates its molecules as they progress through the developmental stages. Having said that, we are increasingly taking the payers view into account, since they are ultimately the purchasers of our products. In other words, we do take the payers views on the value of the molecules we develop into account beginning at the earliest developmental stages so that we avoid forming a biased view.

Hence, rather than adapting our research model per se, we seek to ensure that we gain these perspectives at an early stage. The consequence of this however is that we intermittently might

have to make an uncomfortable decision when confronted with the fact that the value of the product in development is not satisfactory. Needless to say, the name of the game in this respect is to recognize these cases as early as possible in order to minimize our risks and I believe we are rather consistent in doing so. Hence, since we are mindful of our investments, it is important that we make the right choices from the onset and develop the most value adding drugs.

**In creating such value added drugs, how does UCB foster an environment that is truly conducive to creativity and innovation?**

There are three components to this. First is the revamping of our internal research team which was realized by Mr Ismail Kola (joined in 2009 as Executive Vice President and President UCB New Medicines). Developing on the expertise UCB had developed over the years, Ismail Kola gave the early research organisation somewhat of a fresh start that allowed our team to look at things from a different perspective.

Second is UCB's open innovation model which recognizes that development of innovative therapies is not always achieved alone but as a result of partnerships. This allows our researchers to tap into a wider range of collective brain power than before while also challenging them to excel.

The third component of fostering innovativeness involves making sure that we position ourselves close to where the action is. That is, we think it is important to pay attention to the interactions between physicians and patients to evaluate what is going well, what requires our attention and what aspects of unmet needs can be understood better. As mentioned earlier, we are applying this philosophy of patient centricity and customer insight throughout the entire value chain of our company including the commercial, research and development sides.

**Looking ahead, where would you like to take the Belgian operations of UCB over the next 1 to 2 years and what goals would you like to achieve?**

My primary goal is parallel to that of the overall company; to ensure that our new products, Cimzia®, Neupro® and Vimpat®, continue to gain momentum and achieve the success we think they deserve. These products represent UCB's growth drivers for Belgium and Northern Europe and I think this is the best way in which I can support the company's operational objectives. Similarly, we have an excellent pipeline of products with a number of new indications, some of which are demonstrating great potential and are expected to be commercialized within the next few of years.

In a broader sense, we are also determined to maximize the effectiveness and synergies of the partnerships we maintain with academic institutions. Moreover, we intend to ensure that we continue to develop our strategic research and production sites in Belgium including our newly inaugurated biotech plant.

In conclusion, I would say that, as a company, we have many things working in our favour in Belgium and are therefore strongly committed to enhancing our presence here.

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