Interview with May Kwai Cheong, Vice President, Central Asia, Becton Dickinson & Co

25.10.2012

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Central Asia, what is Central Asia in the BD perspective?

For us, Central Asia includes all the countries in Asia, except Greater China, India and Japan.

What have been the main developments in BD since its establishment in Singapore?

BD has been in Singapore since the late 1980s with an office and a manufacturing facility and since then we have been growing our presence.

Singapore has always been the HQ for Asia Pacific (including China and India). However, this year—2012— we had a structural change where a new executive position—President of Greater Asia was created (located in Singapore) to oversee all of Asia including China, India and Japan.

The MedTech industry is currently plagued by several issues. What are the main challenges for BD and how have you coped with them to keep growing?

Competition is everywhere and price pressure is inevitable. However, with the growth of emerging markets, the stable economy, the growing middle class and the different governments in the region setting polices to broaden access to healthcare, opportunities have been created and we see that the trend continuing that way. At the same time though, as governments are trying to provide wider access, the cost pressure for all the companies rises.

In this perspective, and in order to continue our growth, our main challenge is coming up with “market appropriate products” for the emerging markets. This is something that we are looking at very closely, since our aim is to develop appropriate products that really fit the market needs and that simultaneously have the best quality. For example: an instrument that can process a smaller throughput, like the ones used in the western world are too high for this market.

With such a diversified profile and numerous business segments in which BD operates, how does BD adapt a strategy for each country?

China, although not a country I head, should be discussed as well, since for BD as a whole it is one of the most important markets. Therefore, 5 years ago, BD created a very strategic plan for China. As it has been successful, we have replicated a very similar process in India and soon we will start to do the same in Indonesian and Vietnam, since we aim to further expand our presence there.

As the region is so diverse, we have a different strategy for each market, which is why it takes us time to plan. Indeed, for every country that we consider as high potential, we work with consultants and then internally develop a strategic plan for the respective market. It takes us around 3 to 6 months to design the plan before we execute it. Therefore, we are doing it in stages.

Of the countries that you head, which is the fastest growing today?

Indonesia is the fastest growing. We just started to work in Vietnam, but since it is still small in size we expect very fast growth in the next couple of years.

Looking into the future, what will be the catalyst for growth in Central Asia?

The stable economic growth and the governments broadening access to healthcare for their population will be the catalyst. In this region there are still a meaningful number of countries where healthcare is undercover. Therefore, as the government and even the private sector increase access, there will always be growth opportunities for us.

BD recently partnered with HCL Technologies for providing engineering and R&D services. Expanding its R&D in Asia, BD has inaugurated its first R&D facility in Chennai and Tamil Nadu, further demonstrating a strong relationship with HCL. How does this have an impact on the presence of BD in the region, particularly Central Asia? What are the subsequent synergies created in your operations in Singapore?

Since BD is really looking into how to develop more appropriate products for the emerging markets, we are expanding our R&D presence in the region. Currently, we are doing R&D in India and China,

which are coordinated from Singapore, and our Singapore R&D team is leading the expansion plan. Singapore is the HQ coordinating all the R&D activities. We have an Asia Pacific R&D director present here and the India partnership with HCL is part of his plan.

Do you manufacture in Singapore?

Since the late 1980s we manufacture medical surgical products in our plant here in Tuas. Some of the devices that we produce here are not just for the region but for global supply.

Looking into the future, we have intentions to increase our manufacturing footprint in Singapore. Indeed, as we are doing R&D activities in the country, the plan is that if something successful comes out of the labs, we will manufacture it here. We have also increased our manufacturing capabilities in China, where we just broke ground for our 3rd plant in Suzhou.

The global medical devices industry is vast, intensely competitive and highly innovative— what keeps BD ahead of the game?

The first is the way we deal with customers. Secondly, following our mission, “helping all people live healthy lives”, we are very committed to providing excellent clinical training and solutions for the customers. We do this in the hospitals, in the nurses departments, in the laboratories, etc., through our strong team of clinical and application specialties in all the countries we operate. These practices are a key differentiating and highly in-demand factor in the market.

Most of the companies in MedTech that we have interviewed are currently establishing centers of excellence in Singapore. What is BD’s respective reach?

We do have such centers for some business segments and we have one for Biosciences in most of the countries we are present in. Indeed, we have been one of the first companies in the industry that came out with a center. For example, for our bioscience business, 15 years ago, we started a center in Thailand where we provide a test to measure the CD4 cell in HIV patients. Providing this test is not easy since it needs to meet all quality requirements of the results. We had to provide training, so we set up the excellence center in Thailand, where we worked with a local key opinion leader that helped us develop a quality assurance program. Until today, he runs the program and now he is sending a series of samples to other countries in the region. It is very important for us to embark on these types of programs, because we want to ensure that people use the tests correctly.

We also come up with our “good laboratory practice” or GLP program, where we train users through the whole process. In addition to selling the product, we provide them with training

starting from how to collect the sample, how to transport it, how to put in the machine, how they interpret the results, , all the way to writing the SOP for the laboratory. The training is done by our employees and it is implemented in all the countries we are present in. We are very committed and promote these types of projects because we want to assure the product is being used correctly, so it can be translated into quality results for the patients.

If we come back in 5 years what could we see in this operations; what are your ambitions?

The main ambition is to lead the growth of the Central Asian countries.

We will also be working closer to our R&D team to identify and develop products for the emerging markets and fill their particular needs.

What would you like to convey as a final message?

In this part of the world there are a lot of opportunities for both the pharma and medical technology industries and certainly the Singaporean government has put together the infrastructure, incentives and talent to boost the industry.

Although Singapore has done a great job, I believe they can improve in providing the talent that the companies need to keep expanding. They can do more in terms of developing talent for the medical technologies industry, since in the past it has been much more pharmaceutically focused. In my experience, since we have been expanding our R&D team here, it hasn’t been very easy to recruit people with the right skills.

On a more personal note, why did you choose to work for BD?

I have been working for BD for 9 years; it is a great company to work for. I have enjoyed every single year working here since I genuinely believe in the company mission “helping all people live healthy lives”.

At a company level we have that mission in mind, which is why we don’t just sell products but rather focus on providing a full range of services to make sure that our customers use our products correctly, which in turn provides value.

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