Interview with Mohammad Shahin, Chairman & CEO, JOSWE

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Tags: JOSWE

With forty years of experience behind your belt, you founded JOSWE in 2000. What were the opportunities in the market that you saw to establish the company at such a late stage?

We studied the market and found that some product lines were not being produced in Jordan yet, for instance psychiatric products. This provided an opportunity for a newcomer to be established. Our strategy of product selection is built on the company objective to provide advanced generic products that are difficult to manufacture and that are highly demanded by the health sector, and for several product lines we are still the 1st generic in Jordan.

The vision was to bring improved generic products on the Jordanian market, and we have been successfully doing so since the inception of the company. As a small company we could be more flexible and respond quicker to market's needs as they arose.
Within three years of operation, we were recognized for our performances and achieved the highest evolution rate among the competing pharmaceutical industry in Jordan.

The company also went into natural products with Jo Valley. Would you outline the importance of this unit for the company today?

We have recently established Jo Valley as a separate company. We already started to produce a few natural products, but do so under the JOSWE name until Jo Valley can pick up. We produce three or four natural products but are looking to expand this number in the future.

Jo Valley is not a diversification but rather a complementary project for JOSWE. Jo Valley will make use of the JOSWE infrastructure, distribution network and agents.

JOSWE today brings innovative and effective treatments for diabetes, cardiovascular diseases, and central nervous system disorders. With these products you enter specialty areas that are heavily dominated by MNCs. Which market position do you see for your products in these specialty areas?

With many of our products we provide first generics and as such alternative high quality medication to innovative medicine. Most of our products are in the top five of the IMS ranking; we have products in first place, some in second place, but almost all are in the top five of their respective segments.

According to the IMS ranking, JOSWE has entered the top 10 pharmaceutical companies active on the Jordanian market, and this includes MNCs. We have reached this in less than 15 years since the foundation of the company.

How come you have been so successful in your specialty areas?

Maybe because we are small and hence agile! I believe that Joswe’s core competency lies in its ability to respond quickly to increased demand and shifting market needs. The design of our internal processes and systems for research and development and for our manufacturing facilities helps us to be able to develop and improve on the drug-delivery technologies as well as the manufacturing processes. This significantly boosts our competitiveness.

Ms. Kassem of AstraZeneca Levant told us that manufacturers in Jordan focus too much on price and that she would love to see a broader mindset and more investments in innovation from the country’s generics manufacturers. Do you share this opinion?

Companies can be innovative if the environment allows it. Some companies are innovative in one area; and the other some are improving on the packaging, others on the concept of launching & promoting joswe’s invitation core is to improve on dosage forms.

Developing one new molecule requires more capital than the value of the whole Jordanian pharmaceutical industry combined, so it makes sense for our industry to move into other areas of innovation rather than trying to develop one new molecule. If we can improve on hypertension product dosage form while reducing its cost, we deliver a valuable contribution and a much more viable one than if we would try to focus on areas beyond our financial.

JOSWE has been investing in the development of an innovative culture among its employees throughout the company – regardless of rank or status, from the cleaner to the researchers. Innovation has no limitation; many small things can make something new. That is why JOSWE has been successful in its field.

The company understands the situation as it is, and we try to develop a good strategy & philosophy to back company growth today & in the future. We do not focus solely on becoming number one, but rather on taking a share as big as our efforts – and our competitive edge – will allow us.

JFDA Director General Obeidat said in an interview with the Jordan Times this month that, although the Jordanian pharmaceutical industry is still leading the region, competition from neighboring countries was threatening its status. How will the Jordanian industry retain its competitive edge?

Some challenges can be overcome, some cannot. The Arab Spring poses some challenges that are difficult to overcome; the emerging political & economic situation in the Arab world is a threat to the stability of the pharmaceutical industry and other industries due to the instability of the effected markets.

But in the MENA region the same rules apply as on the Jordanian market, with or without protectionist measures in place: try to capture a market share that is as big as possible. JOSWE regularly opens new markets, even if they are difficult to enter. We went into Sudan, into Nigeria and opened our own plants there in order to overcome protectionist measures. Maybe next we go to Egypt, while we also consider the former Soviet Union as a region with interesting opportunities.

How do you plan to continue the company’s stormy development in the coming years? Where would you like to take the operations in the coming three to five years?

We will develop our exports and are in the process of receiving our European GMP accreditation. We are currently going through the first phases of inspection. We may succeed in getting one or two products into the European market, and then we can open new markets.

JOSWE also develops many CSR initiatives, for instance with the King Hussein Cancer Center. Would you outline the importance of such initiatives?

This is one of our core values: to respect the environment, our team and the community in which we operate. We carefully weigh the interests of all to ensure that we maintain a culture of respect.

The company indeed participated in the ‘Employee Breast Cancer Awareness Project’ (Making it Our Business) which was launched by the King Hussein Cancer Foundation and which aims to build the capacity of the employees at Joswe to engage female workers in raising awareness on Breast Cancer.

This was an important moment in the development of our CSR programs, and we continue to develop such health-conscious directed CSR programs to achieve success in improving the public health of the Jordanian people.

What is your final message to the readers of Phex about the opportunities & future of Jordan’s pharmaceutical industry?

I believe that there is a need in the Jordanian pharmaceutical industry to focus and merge. Given the number of players it is very difficult to stand alone these days, and I expect a consolidation to take place.

The industry needs to step up its focus on R&D, external & local marketing, marketing policies and practices must take into consideration the emergence and changes.

Cooperation with European and USA companies in areas like R&D, product development, marketing and Comarketing is beneficial to both sides.

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