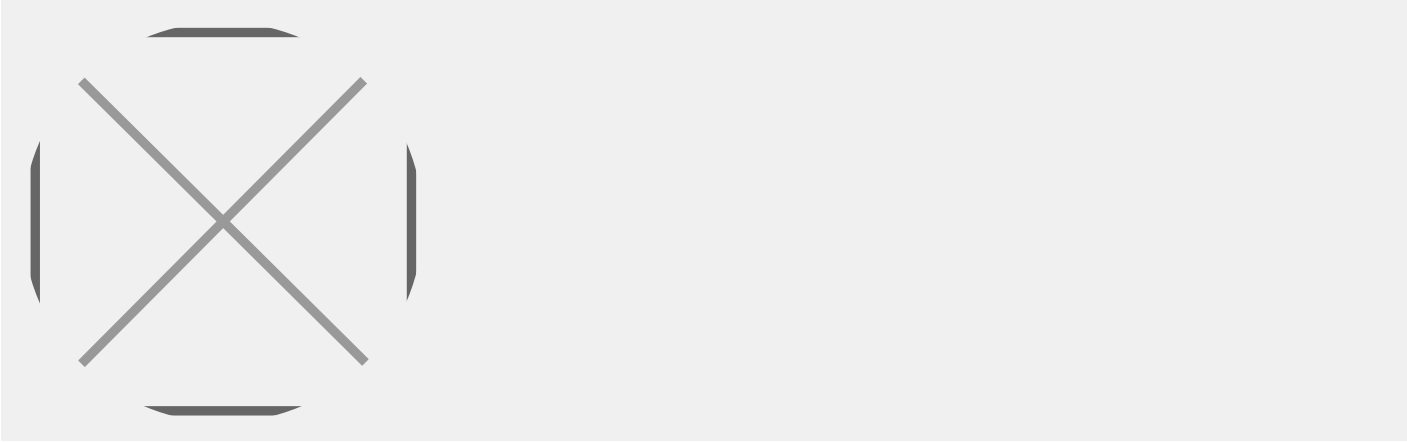
# Interview with Teruo Yasufuku, Managing Director, Astellas Pharma India Pvt. Ltd.



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**When Astellas announced to expand its presence in India in 2009, you were already speaking of the company's long commitment and solid relationship with India. Can you elaborate on these historical ties and how important it was to set up your India operations at that time?**

Since the former Fujisawa days in the late 1980s, we have had business with partners and licensees in India, in particular for our anti-biotics business, i.e. the oral and injectable cephalosporins. These products require a large sales force which is why, at that point in time, Fujisawa would license out such products. We would either find an MNC or a local partner worldwide. In India, we also found a partner for this licensing business, which continued for quite some time. It was not that big at that time, but we did have some business in India.

After the merger into the new Astellas entity, the plan was to look into emerging markets. Yamanouchi and Fujisawa both already had a presence in Europe, Asia, USA and most of the major markets. For India however, with the exception of the aforementioned licensing business, we did not have any presence.

The robust patent regime that came in in 2005 also made us rethink whether we should enter India or not. India's growing economy, the lifestyle changes, the affordable income increase are some of the factors we used in our evaluation to decide whether it would be really viable or feasible to set up an Astellas subsidiary in India.

**The Indian Patent Law has now been implemented in India 5 years ago. Today, do you find that the right framework is in place to really tap into the strengths of the country?**

The robust patent protection still needs some improvement, but apart from that, we definitely see the Indian pharma market as a growing market with double digit growth forecasts. In Asia, China being the most important, India will become the second most important market for Astellas.

**Comparing to other multinational entrants in the Indian market, how do you judge Astellas' timing?**

We knew that almost all the MNCs from Europe and the USA had entered India a long time ago. Some companies went back and forth, but in the end they all came here. Japanese companies were maybe somewhat late, which is possibly related to the fact that they may be slightly more cautious and also deploy a different product portfolio.
In addition to that, India is a generic country that creates a lot of generic competition for Astellas.

**Apart from being a generic market, what other specificities have you experienced in the Indian market?**

Compared to Europe, India is a free-priced country but nonetheless very price-sensitive by nature. While there are of course exceptions, you can generally say that the pharmaceutical prices in India are among the lowest in the world. Generic companies still dominate the market here.

As far as our products were concerned, the generic versions for our portfolio were already available in the market. However, our initial evaluation made us believe that we can make a difference here, bring value to the market, and contribute to the country.

**You chose the product "Prograf" to enter the Indian market. How did that take off in its first year?**

We only launched Prograf at the end of March 2010, at a time when already 19 generic versions were available on the market. We were aware of that and of course we investigated the price levels. Nevertheless, it is still a very challenging market where Astellas faces stiff competition. Yet, after one year of sales, we can say that Prograf is the second most prescribed immunosuppressant for new patients already.

**What made you confident to enter this market with a product that already had 19 generics to compete with?**

Astellas, as the originator, believes it is the only company with the knowhow, the global network and the experience of Prograf, which was first launched in 1993 in Japan. With nearly 20 years of experience, we have made this product available in nearly 100 countries and accumulated significant data from all over the world. This vast amount of data is important, as we see it as our

mission to deliver the science and the updated info to the transplant community of India. This is where Astellas can make a difference compared to the generic players.

**How do you see Prograf's roadmap now?**

There are roughly 4,000 transplants being done in India, in approximately 170 transplant centers. We thus do not require a huge sales force, and currently manage with around 15 sales people for Prograf alone. We will continue to focus on sales and marketing alone, as we do not have the luxury to have a manufacturing or research lab in India yet. Business only started a year ago, so my first priority is to establish the Astellas presence in India, starting from transplantation. At least I know that it will be tough battle that will take time.

**You mentioned earlier that former Fujisawa used to have licensing agreements in the Indian market. We now also see that Astellas has licensed its anti-fungal product Mycamine to GSK for co-promotion in India. How did that shape up?**

GKS is doing a great job. Traditionally, we have had good relationships and business with GSK from the former Fujisawa days. Before establishing Astellas in India, the agreement with GSK to market Mycamine had already been made. They established a very strong presence in the hospitals, and I believe that they cannot be beaten in the anti-biotics segment.

**What potential do you see to further tap into similar partnerships?**

At the moment, our strength here lies in transplantation. This is a small niche market which we can manage by ourselves. In any case, our wish is to always manage as much as possible by ourselves.

**India is already the fifth largest market for transplantation. What potential do you see to expand to other countries from here?**

We also see the potential to cover neighboring countries such as Pakistan, Nepal, Bangladesh and Sri Lanka from here. We would never have thought of covering such countries had we stayed in Japan in the first place. Being in India made us engaged in market research to study such options.

**You said that you do not yet have the luxury of having manufacturing or research facilities in India. Are we going to see a step-by-step approach similar to companies such as Eisai?**

**How do you see the timeline for your plans in India?**

We came in small, and at the moment we aim to first establish our presence in India. Only once we have established ourselves as a mean and lean organization, and a profitable company, we should consider any further steps.

**Although so far you did not require a large talent pool to address the 150 Indian transplant centers, the people you attracted were required to have a great deal of scientific talent. Was this difficult to find here?**

This has not been too much of a challenge. Fortunately, we have been able to find excellent people. Among the transplant, Astellas is very well known. They know what kind of company we are, which has enabled us to attract talented people.

**What do you do to create an enjoyable, but challenging, work environment for them?**

Since we are still in our development phase, there are many things we still need to establish, such as a solid HR management system, a talent development program, and so on. We are working on that, but so far, the staff really enjoys working for a company that is still in a start-up phase. Not too many people have that opportunity, including myself.

Everyone here sees this start-up environment as both a challenge and opportunity to grow with the company. That is a key factor that is motivating our staff.

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