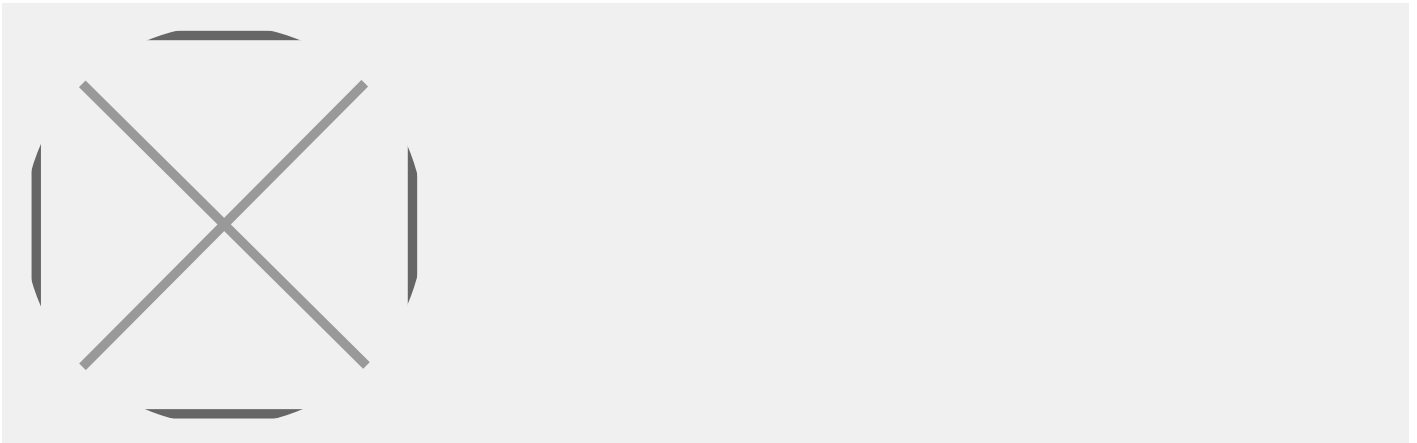


# Interview with Ekaterina Mikheeva, General Manager, Ferring Russia

---



---

28.06.2011

Tags: [Ferring Russia](#)

---

**Ferring is a specialty biopharmaceutical company that operates in four strategic therapeutic areas. Globally, many pharma companies have been diversifying their portfolio, and entering the OTC segment, generics segment, medical device segment, etc. But Ferring does not deviate from its core business anywhere in the world. What is the value of sticking very closely to your core, specialty strategy?**

I do not think it is all about tradition, but what you can do at the highest professional level. Ferring started and has always proceeded as a biopharmaceutical company that has invested all efforts into developing new molecules for innovation. This has been the best model for Ferring and our strategy will not change in the near future.

**Is there a challenge in maintaining that consistency? Why might diversifying be valuable for other pharmaceutical companies but not for Ferring?**

All companies, within their operational playing fields, should stick to their capabilities and strategies. They became well known or very profitable by doing what they excel at. Ferring's strength rests with its commitment to research and development. We all know that new launches are decreasing worldwide year-on-year, and our main focus is it to stay in our key therapeutic fields and not diversify the portfolio. At the same time we will stay opportunistic about any new business opportunities, but we are determined to stand strong, and to follow our strategy.

**Russia faces large demographic problems of low birth rates and high disease prevalence. Ferring describes itself as a company that provides treatment for the entire span of the human life cycle. How does your product portfolio address Russia's specific needs?**

Fifty percent of Ferring's business in Russia and globally is in fertility treatment. As a company we have more than 20 years experience in treating infertility with a special portfolio that we offer for In vitro fertilization clinics. We recently calculated that over 35,000 new babies were born due to Ferring's infertility treatments; that number is continuously growing. It is a huge boost for Ferring's employees from a psychological and philosophical point of view to see that these products are what people live for in many regards. This correlates with the strategy of our government to increase the country's population.

In other spheres such as oncology and endocrinology, Ferring is doing a very significant job to give patients reasons to believe in a healthy future. If diseases are diagnosed in proper time then serious conditions can be managed with new medicines from new molecules versus previous schemes from older drug classes.

**What do you think will be the overall effects of the Health Care Protection Law? You say that it will limit the interaction between doctors and pharmaceutical companies, but do you see any positive effects from it?**

One definite positive is that the law outlines the overall rules of engagement. It is better to have this agreement between pharmaceutical companies and healthcare practitioners and to understand all of the rules. Our relationship is of course years old, but it is better late than never to establish rules and understand the origins of certain problems. In this respect we appreciate what the government is doing with its rational approach.

**Globally, Ferring has been growing year-on-year by double digits for the past two decades, an impressive statistic for any large pharmaceutical company. What has been the Russian affiliate's contribution to this growth?**

Over the past three years, since 2009, we have doubled our value in the Russian market. Considering past market and financial crises it has been a very good result for us. We have certainly made breakthroughs here and demonstrated to our parent company how valuable Russia is for the larger group.

We understand that this affiliate is getting all efforts together to launch two new products...

Yes, we recently launched one in April for treatment of Primary Nocturnal Enuresis. It is a tablet that melts in the mouth and does not require water for consumption, thereby evading the problem of drinking water before bed—which is detrimental to children prone to bedwetting. The second product is for prostate cancer, and is a new worldwide treatment that Ferring launched two years

ago worldwide.

**We know that to launch drugs in Russia you now need local clinical trials. Having many children's products, how difficult is it to run ethical clinical trials for children within the Russian environment?**

We had no local clinical trials for our first brand for PNE treatment, because it was a new formulation of a well-known brand. With our prostate cancer drug we included Russia in multinational clinical trials. Ferring respected our new law for clinical trials. Although trials take longer under the new law I am still supportive of it because of how important it is to the country and industry.

**Ferring considers regional expansion a key strategic priority. What do you advise is the best way to carry out an expansion plan in Russia given its diverse geography, numerous time zones, and the unique needs of every region? How does one go about executing such a strategy?**

I think that until we reach the phase when specialists are available in every village in Russia, companies should work with the preferred healthcare professionals in the large cities. People from smaller cities will go to regional centers where they know that they will at least get consultation. If the company is going to expand regionally then it can easily cover cities with populations of close to 1 million people, giving it 80% coverage of the overall nation.

**Do you think that multinational pharmaceutical companies can play a role in reaching out to the remote areas, or is that mainly the role of government?**

Pharma companies have a responsibility to make therapies available, however, it is the government and regulatory authorities who have to take the lead.

**On the topic of investment, the company is also thinking of investing in local production here in Russia. What do you see as the advantages of a local production facility?**

Local production allows pharmaceutical companies to better meet the needs of the local population and local market. That is why it is important for every company, including Ferring, to seriously consider this possibility.

We are currently looking at the opportunities available.

**2010 marked the 60th anniversary of Ferring globally and the 15th anniversary of Ferring in Russia. Looking towards the future, what do you want this affiliate to accomplish over the next five years?**

I can repeat the words of the president of the Executive Board and COO Michel Pettigrew that it took 60 years for Ferring to reach its first 1 euro billion in sales. Because of our strong pipeline we will reach 2 billion euro in 5-10 years. Even after doubling growth in three years Ferring in Russia still has huge potential because we have more than 20 medicines and formulations in registration. We have seven brands and a huge line of products soon to be launched which will contribute to the goal of reaching the second billion.

**Ferring is still a family owned company and currently headed by the second generation of the Paulsen family. When Focus Reports interviewed your colleague Mr. Zambonardi at Ferring Italy, he spoke of the challenges in running a transparent business in a non-transparent environment. How do you reconcile maintaining a transparent business here in Russia, which too is a less-than-transparent country?**

I have been in the business for 16 years in this country and can say that the market has become increasingly transparent. The environment that we started in the beginning of the 1990s was very challenging. Comparing then and now, my colleagues and I all very much appreciate the dialogue that is now possible with the authorities.

This transparency is, of course, measured on a relative scale. When we speak with other managing directors there is no shortage of criticism for the difficulties in talking to authorities and the lack of transparency in Russia. You, however, have been here for a while and have seen transparency improve on a relative scale.

It indeed helps to be Russian in order to do business here. Not just because of language barriers, but because of a certain mentality and cultural DNA. I used to work with the local executives of big multinational companies and I am sure that their first two years here were difficult, especially 10-12 years ago.

**When discussing the status of women in top management with your female counterparts they noted that the glass ceiling typically associated with women in business is a “created metaphor.” What has been your experience as a woman in top management in Russia? Is the glass ceiling real and if so, can it be overcome easily?**

We all know that this is a tendency worldwide, but the number of women in management positions is growing. I can talk only about women in Ferring.

At Ferring we consider “people first”, and women in Ferring do not feel ignored, or that they cannot achieve.

**What would be your final message on behalf of this affiliate to the international readers of Pharmaceutical Executive?**

According to my vision Russia will not follow the same growth trajectory as Poland, the Czech Republic, Germany, or the UK, but instead it will develop its own. With 5.5% growth in 2010 Russia is no longer a “BRIC”—it is not a fast-growing market. Everyone who reads this magazine is a market participant. I feel that if all participants are more active, then it will bring a lot of added value to government reforms; to the efforts of patient organizations; and to the activities of our headquarters. It all depends on the participants that are here, how they move forward, and how active they are in the market.

Change your thoughts and you will change the world.

[See more interviews](#)