Interview with Fabio Scaccio, Founder & Sale Administrator, Finderm

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Tags: Finderm

Finderm is the result of a courageous entrepreneurial experience, since you initiated the operations in 1995, in the most challenging times for the Italian pharmaceutical industry. Could you briefly introduce our readers the story behind Finderm and the main milestones and achievements since you started the operations?

I personally started working as a sales representative when I was 18 and did so for little less than ten years, in all kinds of pharmaceutical companies- from small players to big multinationals- getting involved in a wide range of various therapeutic areas, from dermatology to oncology.I turned 28 in times when the pharmaceutical world was entering a period of disruption; following the sudden reshuffle of the reimbursement schemes that resulted in many products exiting the A-list overnight, especially in the gynaecology field. Such a revolution also impacted the habits of the scientific community, with GPs who became more inclined to prescribe dietetic integrators and medical devices in support to traditional therapies, while multinationals were progressively leaving aside these types of products to concentrate on the reimbursed ones.Therefore, there were opportunities to catch, and I decided to start a crazy adventure –risky but potentially rewarding- by launching alone, without a cent, a pharmaceutical company specialized in gynaecology. Together with my first collaborator, Manuele Raiti, we launched Finderm first products; a very basic detergent, followed by an alimentary integrator based on folic acid. The company then promoted a wide campaign in Catania for the prevention of Spina Bifida. And starting from this focus on folic

acid, Finderm progressively grew outside Catania and beyond Sicilian borders, to conquer the rest of the Italian territory and launch its first medical devices even before the national authorities elaborated specific regulations for this category of products.Combining these medical devices with its first pharmaceutical patents and the continuous launch of new integrators, the company built a very wide and strong portfolio.Finderm progressively developed strong relations with the Italian gynaecology world, and by reinvesting every cent earned, was able to open in 2005 a new laboratory specialized in dietetic products, for internal production as well as third part manufacturing. As a result, starting from greenfield the company became in little less than 10 years a consistent reality involving 52 collaborators with a yearly turnover overpassing Euros 10 millions.

13 years after having started the operations from Catania, would you say it has been more a challenge or an opportunity to create and lead a company in Sicily- rather than in another Italian region?

Leading the company from Catania is clearly a challenge, as it requires constant trips to the main decisional centres such as Milan and Roma. But Finderm successfully tackles the situation thanks to the quality of its working group, with highly skilled area managers that managed to build and spread the image of a solid and credible company- never late in payments and trustworthy for its employees. Thanks to our professionals, the laboratory is currently experiencing high growth levels and a continuous expansion of its incredibly wide product portfolio. Such a strong position enabled to close a number of agreements with other prestigious and well-established players- such as Daiichi Sankyo and Grunenthal for co-promotion and EG-Stada for co-development.

As Finderm developed a wide portfolio throughout the years, what is the contribution of each product category -pharmaceuticals, medical devices, nutraceuticals and cosmeceuticals- to the company’s performance and how do you see the repartition evolving?

When building its product portfolio, Finderm looks at both the present and the future. For this reason, the laboratory acquired some old molecules that are traditionally part of the gynaecological history – and on the other hand developed new and innovative products. Both types of compounds are then mixed together in a synergetic way- creating revolutionary associations such as the first combination of an historical oral antimycotic and an innovative topical one. As a result, Finderm now claims to have one of the most diversified gynaecological portfolio- including cosmetics, medical devices, pharma specialties and integrators, constantly associated together as to create innovative solutions. This continuous development process strongly relies on the collaboration with all the main Italian clinics – from Trieste to Catania, including Roma, Napoli and Palermo. Such

close relationships with the scientific world results in an excellent recognition of the company. Indeed, Finderm is still a privately-owned mid-size player, but having continuously launched innovative products in the past years makes it a consistent reality for the gynaecologic community.Looking at the future, all the areas of the gynaecology niche will keep being exploited by our research. It is worth mentioning that consistent opportunities can surely be found in the specific field of medical devices, but Finderm will always consider the system as a whole- as betting on a single product is not as rewarding as creating a fully integrated portfolio.

To fuel this continuous development process, is Finderm betting more on co-development partnerships or in-house R&D?

Finderm currently collaborates with Stragen and Stada- Euro Generici to co-develop both generics and innovative drugs. Aside from these agreements, all the research is conducted in-house, relying on a wide network of universities. Amongst the main contributions of the academic world, it is worth highlighting the strong links developed with the Policlinico Universitario Agostino Gemelli and in particular with Prof. Giovanni Scambia who is also the director of NOG, Finderm’s specialized publication released quarterly. But overall, collaborations have been established with all the main Italian specialists- including Prof Boselli in Modena, Prof. Guaschino in Trieste, among many others- which really enables to reach all the fields of gynaecology and follow a 360° approach. Italy surely has a strong tradition of excellence in pharmaceutical research, but the lack of synergies between public and private is now seen as an obstacle.

How do you describe the industry’s relationships with bureaucrats who can take crucial decisions for fostering a more cohesive regulatory framework to enhance innovation in the country?

As former President of Confindustria Sicilia for a few years –which was far from an easy task- I personally find the level of bureaucracy in Sicily extremely high and unfavourable to the industry.However, Finderm in to some extent lucky not to work with hospitals, therefore being confronted to exorbitant payment delays, which are the burden of many laboratories.Regarding the relations with the Ministry, in the same way as most pharmaceutical players, Finderm would like to see the authorities following a more pro-active and efficient strategy.

When it comes to manufacturing safe and efficient preparations, how is the ratio between third part and internal manufacturing for Finderm?

In terms of manufacturing activities, Finderm has developed strong relationships with third parts. On one hand, all the non-pharmaceutical production (including integrators and cosmetics) is partly entrusted to other manufacturers for the first steps, but is fully finished in-house- and is even

finished for third parts willing to take advantage of our manufacturing skills especially in the field of soft gelatines.On the other hand, all the pharmaceutical production is outsourced to a number of external players, carefully selected as for each type of products. Finderm’s efficiency in marketing and sales is a main competitive edge when looking for new partnerships.

How do you manage to drastically optimize the efficiency of drug promotion to GPs and pharmacists?

Finderm is surely the gynaecologic organization that relies on the highest number of sales representatives in Italy. Indeed, the country’s 14,000 gynaecologists are visited by our 52 scientific informers on a regular basis. The company strongly believes that success relies on the sales force; one can create the best product, it won’t perform on the market without the continuous presence of representatives.For this reason, a lot of work has always been dedicated to the workforce’s development- not only in terms of numbers of representatives, but also in terms of organization, motivation, internal information, and continuous training. It is all about maintaining a positive type of pressure inciting the collaborators to always go ahead and outperform.

What is your strategy to cope with the Italian highly decentralized healthcare system and have a full coverage of the territory?

Italy is far from being uniform; each region has its history, its culture and its values. Consequently, some products are more adapted to specific areas; for instance vaginal cleaners are more successful in the Southern regions. Therefore, each team has to adapt to the regional market dynamics, applying different methods yet following the company’s unique guideline. All these assets have built Finderm as a well-established mid-size local success story, but agreements with other international companies show that the company is also looking at the world.

What are your ambitions on an international footprint?

For an Italian company that is not selling Italian food specialities, it is not that easy to be successful overseas. Indeed, entering a new country implies to start again a full registration process following diverse regulatory frameworks.Therefore, Finderm’s international expansion will be achieved through partnerships. In the same way that the organization currently does not have the adequate critical mass to develop by itself in foreign environments, it cannot organize its brand visibility without the support of a partner already strongly present in its target countries. Once such collaborations are in the pipeline, it will possible to precisely evaluate the potential costs and returns of international expansion, and start bringing the Italian gynaecological knowledge to other countries.The company is currently looking at Eastern Europe, and already putting in place the

adequate registration dossiers and entering negotiation with potential partners.But overall, the success of Finderm’s future internationalization will depend on both its ability to select the right people and catch the best opportunities at the right moment.

As a final message to our readers, how would you market Sicily as an attractive place to invest for pharma and biopharmaceutical players?

Sicily can seem to offer a challenging business environment, especially for small and medium-sized companies. But this context also offers considerable opportunities for bigger players, and especially multinationals with the adequate strength and power to bet on the region and revitalize the Catania area. Indeed, Catania is home to highly skilled professionals and has all the potential to become the “pharmaceutical engine” of Southern Italy.

On a more personal note, would you say you were born an entrepreneur or did you develop such a skill through time and experience?

It has always been my dream to become more than a sales representative, and start a pharmaceutical entrepreneurial adventure. My story showed that sometimes, dream can become true- I just hope no one will wake me up.

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