Mundipharma Malaysia – Hans Kim, Country Manager



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Mundipharma Malaysia's country manager discusses his company's aim to become a reference in Malaysia for pain management, on the back of the tremendous 48 percent growth of the business last year.

Mundipharma has recently entered a booming Malaysian pharmaceutical sector. What are your first impressions of the Malaysian market?

Malaysia's pharmaceutical sector growth was 7 percent last year, which is definitively faster than South Korea. In the past, South Korea also used to enjoy very high rates. Today I think that Malaysia is getting to the stage of that kind of growth, it is becoming more dynamic.

Regarding Mundipharma here, pain management is one of the areas where we are most focused. More specifically, we try to make opioids treatment available to more patients. There is still a huge gap in terms of providing quality medical pain treatments and accessing innovative drugs in the country. It is also the case in other therapeutic areas, which offer a wide range of new opportunities for companies of the sector. In my opinion, this constitutes one of the two main drivers of the pharmaceutical industry's strong growth.

At the same time, it is also getting very interesting on the end-consumer side. In Malaysia people are obsessed with OTC products and the main reason is that you can find products like Betadine in Seven Eleven convenience stores, whereas South Korean regulations prohibit it, for example. So

more accessibility given to the end consumers for these products may be another factor why the pharmaceutical market grows faster here than in other countries.

How can Mundipharma outpace the industry's growth? Where are you investing at the moment to develop your operations?

Last year we grew 48 percent to total revenues of USD 3.9 million. Since then, we've been referred as the company "Numero Uno" in Malaysia. We even received an award for that. We try to maintain that level of company growth although we are facing increasing challenges.

Luckily, the last three years we were able to launch a consistent number of new products. Regarding Betadine, people are already familiar with the product but not so much with Mundipharma. Therefore we have been opening new channels to make it even more available to Malaysians and to increase our brand and company awareness at the same time.

Although we are initially specialized in pain management, our goal now is to expand towards other opportunities such as respiratory, haematology and oncology products. On the other hand, we are also planning to enter the attractive medical device market on this year's third quarter with new advanced wound care products.

What is the strategic importance of Malaysia for the group?

In fact, Malaysia became very important for Mundipharma since we started investing three years ago. Malaysia's contribution to our SEA region is second next to Philippines so far and we recently expanded to Thailand, Vietnam and Indonesia.

What have been some of the main challenges you have come across when commercializing opioid products in Malaysia?

Opioid products are still poorly considered in Asia and particularly in the Southeast region. The market is very limited and this is clearly due to a lack of education. On one hand, patients are reluctant to consume that type of product as they associate it with death, whereas some surgeons even renounce to treat their patients with opioids because they would be considered bad practitioners.

It is really a matter of public perception without recent science and knowledge. We are trying to reverse this trend with our communication program by inviting qualified speakers to our conferences and building strategic partnerships with key opinion leaders.

However, we are not just about providing knowledge, we want to offer treatment options as well, whenever they are in accordance with the patients' pathology.

Malaysia is ranked third best country in the world for healthcare quality yet cancer is amongst the top three NCDs in Malaysia, growing at a fast rate. What is your approach to provide care to cancer patients?

Cancer patients usually go through a lot of pain and suffer from side effects provoked by the chemotherapy. Our goal is to address the whole cancer issue and help the patients improve their quality of life at the same time. That is why we maintain stronger ties with oncologists and haematologists in that field.

Oncology aims to treat cancer as a whole, including every stage from diagnosis, therapy and follow-up to palliative care and screening efforts. Opioids are related to pain management in the process of treating patients affected by cancer. They offer a palliative care alternative although they are not an oncology drug strictly speaking.

Without talent and qualified workers Malaysia is not able to compete with consolidated hubs like Singapore. Where do you stand on this issue?

This is partly true considering that Malaysia is changing at a very fast pace. It seems logical to me that everything cannot be done in one day. Some areas of interest such as attracting or training qualified professionals are improving more slowly than others. The government has been working until now on the separation of prescription and dispensing for instance.

In order to really grow to a certain level, there are some thresholds to reach and this is a great opportunity for me that can foresee the next opportunities in this change and build new strategies to address them. Our experience and expertise can be quite beneficial for the companies in Malaysia. So, there are actual talents currently driving the national growth – maybe not enough yet – but Malaysia is a very open country for talents from abroad. The number of pharmaceutical associations you can find in the country is a clear sign of the evolution going on.

How can Mundipharma compete against big pharmaceutical companies like GSK and Pfizer to get the best talents?

The hunt of new talents is a tough game but we clearly defined it as a fundamental criterion to be successful. Many companies are taking advantage of the proximity between Malaysia and Singapore to hire from both countries and Mundipharma is no exception. Our strategy is to grow bigger in order to be more attractive and thus be able to capture professionals' attention outside

the borders. That is something big companies like GSK or Pfizer can hardly do nowadays due to the critical size they have reached and considering their need of downsizing in order to reach cost effectiveness.

What shall be Mundipharma's future developments, and where would you like to take the company in the next five years?

Making our launches successful is the number one priority. It is currently going well and we hope to be able to address even bigger markets soon. We are still working on more customized SKUs, we are expanding our Betadine range in that sense and new products should be distributed to convenient stores next month.

Eventually, we are looking for more strategic partnerships with the R&D sector and local companies in the area of pain management.

Finally I would like to stress on the quality that the Malaysian health sector is currently reaching. People are getting more educated these days, the country is opening up to a more globalized mind-set and I am convinced this will accelerate the course of the pharmaceutical industry. It is a great time to hire talents. Market forecasts are getting brighter than in South Korea. In terms of infrastructures and knowledge the country is starting to compete with Singapore. Patients even come from Indonesia to get their treatments. This is a success for all the actors of the industry present in the country and I am very glad to be a country manager at this transition period in Malaysia.

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