Interview: Carolina López-Torres – Country Manager, Hospira Peru



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Carolina López-Torres joined Hospira Peru in 2011 following a dynamic career at Novartis. She discusses the early challenges she faced and the opportunities that the government's hospital expansion plan has provided the market leader for pumps in Peru.

What was the initial mission given to you when you first arrived?

I was originally hired as a commercial operations manager; in the beginning Hospira Peru was just a commercial office with normal expectations for growth. But after one year and a half, our regional headquarters realized that the Peruvian market was growing rapidly. I was made country manager to improve the situation. Originally this affiliate reported to Colombia as part of Andean region operations, but now we report to Mexico because of accelerated growth in recent times. Hospira Peru's excellent results were supported by the country and industry alike. Therefore my mission evolved into taking advantage of Peru's opportunities and investing in the country, as well as providing quality products to the population. This was not an easy challenge because Hospira has always been the leader with 60 percent of market share in the total public market and 70 percent in the private market. Hospira Peru is supposed to grow even more, but that can be difficult when you are the leader. This will depend on how quickly the government constructs more hospitals.

The early days of this affiliate were overwhelming. We started off at a relative low point because there were only a limited number of hospitals and beds. Fortunately the government has

understood the need to develop more infrastructures in healthcare. We are now starting to see brand new public health centers pop up across the government, in places like Piura, Chiclayo, Tumbes, Cuzco, Arequipa or Tacna. Consequently, I think we can compete with other Latin American hospitals, given this fantastic infrastructure.

This is great news for us and for industry; now is the moment to invest and support the sector. The Ministry of Health has many projects and capital to build hospitals; the government has finally come to the realization that they must have an agreement with industry because it is unsuitable for them to administer everything themselves. Contracts with foreign companies with more experienced can be very beneficial. In my position, it is critical to be the first to get our type of products to these hospitals. There is definitely competition for pumps in Peru, and I am hiring more people to accommodate the growth of the industry and market.

What is the strategy to indeed be the first in market?

Fortunately, Hospira is the leader and therefore has the resources. But we do have competitors, often very good ones. I am very proud to work in a company with excellent products. Hospira has the best and smartest pumps in the market, and nurses will always need our pumps for ICUs. Hospira's pumps have the best system and they really feel like partners in treating patients. Because of Hospira's great image and team here, in addition to other perks like great maintenance programs, we often receive remarks of praise for our work. Nevertheless, we also need to travel. We have 11 people working in Lima, but we also need to spend time in other parts of the country. Hospira must be first. When we arrived nobody received any other company because many people in healthcare had already worked with Hospira as a market leader. The same principle applies to those who come to Lima to establish partnerships and then take our products to other parts of the country. The key here is to always be first.

Hospira has seen some revamp in global strategy over the last couple of years in terms of refocusing the company's portfolio, among other targets. How has that been applied in Peru?

The global strategy is indeed to broaden our portfolio. I must also introduce generics to Peru to complement my portfolio and this is an ongoing process. Hospira has submitted around 20 products to DIGEMID, waiting for registration. As a Peruvian I am very proud of that because they are very good quality products, comprised mainly of antibiotics and oncology products. DIGEMID is trying to improve its processes, but the implementation is taking more time than we expected. Right now, companies must wait around 26 months for approval.

This is considerably slow compared with other countries in the region. We are nevertheless investing and with these changes in DIGEMID the bar will be raised for all generics, considering some products do not have good quality. This will allow us to compete in fair conditions and provide the population with only good products. In the US, you are not allowed to buy antibiotics without the recipe; here it is very easy. You can buy any product in a pharmacy. This is bad, particularly since these cheap products can be administered for the wrong reasons. Therefore we need more quality products and change the way the Ministry of Health participates in the industry.

What new products are you bringing to Peru?

For the next five years, we will continue bringing antibiotics and oncology products to Peru, as well as biosimilars. 80 percent of our current portfolio consists of pumps, and the rest is focused on Precedex, an intravenous sedative for ICU patients.

What has been Hospira Peru's position in terms of a commercial and moral contract between itself and stakeholders?

Hospira is a very ethical company; we follow every procedure for quality. We provide everything needed and promote that commercially for DIGEMID and other stakeholders. Our main customer is social security, for whom we always follow the rules for information, logistics or tenders, satisfying all their needs. In general, Hospira has excellent relations with everyone concerned in Peru.

Hospira has certainly had its fair share of ups and downs in the last few years. What is the best kind of management when global figures are unpredictable?

I have always tried to ensure that my team understands the need for quality information to make predictable numbers. We need to gain trust by being very transparent with the regions. Everyone understands this, so we make numbers together to be realistic. At the beginning people would not provide all the information, but to grow as a company I need this information. I was very focused on teamwork. We worked a lot on teambuilding and my main message is that we work in a free company, and my employees appreciate and understand the open culture. But we must always remember our objectives and to deliver results. I am trying to generate a good work-life balance. If Hospira grows, everyone will continue to have good jobs and benefits.

Given the growth of this affiliate, what do you see ahead and how do you want to grow this company?

I am very positive about the future. At the moment I can really feel the reality – we have more hospitals every month, and the government really does want to invest more in healthcare

infrastructure. This is a big change. I travelled for two straight months when I first arrived to Hospira in 2011. This was a particularly distressing time because I had lots of pumps to sell, but no hospitals! After only two years, there was a surprising increase in the number of hospitals established throughout the country. Peru will continue to grow based on the government's health policies. The future for Hospira Peru is very good. Regarding medicines, DIGEMID is improving slowly but surely. Quality will indeed be better and Hospira will be prepared for that. We opened this office at the right moment. With Hospira's high-quality products and perseverance in regulatory affairs, we can make excellent business here. I am proud to implement this.

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