Guillaume Drianno – General Manager, Servier Thailand



Servier Thailand hopes to continue improving its service offerings in the local market by working closely with stakeholders and ensuring that the needs of our local clients are met.

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Servier Thailand's general manager discusses the company's competitive role in Thailand despite market challenges, the company's ability to remain innovative and successful regardless of Thailand's changing policies and Servier's unique work culture.

What potential do you see in Thailand despite current market challenges?

Thailand is historically one of Southeast Asia's economic centers because of the nation's strategic location, as well as having a strong economy within the region. Southeast Asia is a region that has huge economic potential for Servier and the pharmaceutical industry as a whole. Specifically, Bangkok plays a large role in the way pharmaceuticals are developed in this region of the world because it is arguably the second largest pharmaceutical market in the region after Indonesia. Moreover, there is a large population in this region of the world and the middle class is growing, which allows them more access to higher end goods, such as pharmaceuticals. Although there are some economic challenges here because of the rules and regulations set forth by the government we believe that Servier has tremendous potential to flourish here and give back to the Thai people. Our company has experienced double digit growth over the last years and we believe it is because our goods and services are valued here.

What potential do you see in Thailand becoming an economic regional hub?

The government has instituted new policies and is campaigning to make Thailand a regional economic center for a large array of industries because of the large workforce, untapped land for potential development and the traditionally friendly business climate for foreign investors. The region is becoming increasingly important for many investors and is a top priority at the moment for Servier because of the potential we believe exists throughout the region and specifically, Thailand. The economic possibilities for the nation to develop and flourish economically are endless, but there are some questionable affairs that need to be addressed by the government in order to ensure that Thailand maximizes its full potential, such as more transparent measures, clearly defined criteria and rules of the market (i.e., price control, reimbursements). Keeping rules clearly defined for all players, and in our case, the pharmaceutical industry ensures that all stakeholders have an equal playing field, which ensures that we can maximize the region's potential. What we have seen are the rules and regulations change a number of times, which makes it hard for us to institute a long-term vision for investment in Thailand. We remain committed to Thailand and working hand-in-hand with the government to ensure that the industry flourishes and the people of Thailand benefit from our services.

What potential does Thailand have in becoming a center for clinical trials and research, as well as manufacturing?

Currently, Servier has research facilities in Asia spread throughout China, Singapore, Japan and South Korea. Thailand is strategically located and has the workforce and capability to become a research center and manufacturing center for our organization, as well as other pharmaceutical players, but must institute policies for international players to work with international players. The other nations in which we conduct research in are mainly focused on their respective markets. For example, in China the products we test, manufacture and ultimately sell there are specific to the needs of the local clientele. In Singapore, we have some research being conducted that helps with our business affairs in Thailand, but we do believe that Thailand has a welcoming culture that coincides with our business development plan in the region. We hope to make this a reality in the coming years as our business in Thailand continues to develop.

What makes Servier a competitive organization within the pharmaceutical industry?

Servier is unique amongst other competitors in the industry because we are a privately run foundation. We are first and foremost, a research based organization that funnels 28 percent of our

turnover into Research and Development (R&D) because of the value we see in creating new drugs for our customers. Our founder, Dr. Jacques Servier, instituted a unique set of values since it was founded in 1954 and we continue to run the organization in the same way since his passing last year. The company's board and newly appointed CEO, Mr. Olivier Laureau, were all appointed by Mr. Servier after having worked at the organization for more than 20 years. The organization continues to promote strong work ethics and the value of never giving up. This has been especially valuable in Thailand where we see tremendous potential, but find it challenging to carry out our business affairs on a day-to-day basis. Other companies must reach certain metrics each quarter and because we believe in the long-term vision of the respective countries in which we carry out our operations we do not institute such policies, but instead try to adapt and always wait for improved conditions in the local market. In the case of Thailand, it is a testing market, but we believe in our capabilities and have faith that the local market will continue to improve.

As Thailand develops and local illnesses change, what are your top selling medications and what do you anticipate your largest sector of sales to be in the coming years?

The transition from a more rural and undeveloped economy into a more urban and developed formal market means that individual's health needs also change. Currently, our number one selling drugs are related to cardiovascular diseases, followed up by drugs for patients dealing with osteoporosis, which is very specific to Thailand's population. We also launched a drug for depression recently and a drug with diabetes. It is clear that Thailand's medical needs are changing as the nation becomes wealthier. It is a bit alarming that diabetes and depression are growing in exponential rates in Southeast Asia, but Servier is proud to assist in any way it can. Servier anticipates that the new era of development and research is going to be oncology because of the exponential rise in cancer throughout the globe. Servier recently signed an international licensing agreement of two drugs dealing with oncology and one drug will be featured in Thailand and one throughout Europe. Clearly the company is transitioning from a cardiovascular focused company to an oncology-focused company.

What does Servier Thailand do to gain and retain the best talent in light of the competitive atmosphere?

To ensure that we get and then retain the best and most talented individuals in the market is a main priority for Servier. Having the best talent ensures that our day-to-day operations are carried

out more efficiently and that our company’s objectives are met. As managing director of our Thai branch, I believe that in order to attract the best talent in the sector we needed to become more engaged with local stakeholders. In the last year, we have launched a program for young Thai individuals who we train and develop from a young age into the next managers and leaders of the organization. We offer specific training to motivate them by offering opportunities for promotion, opportunities for increased pay, benefits and always highlighting the value in working for a private company that offers job security and consistency.

Where do you hope to see the organization in the coming years?

Since I took on the role of managing director we have experienced consistent growth as a result of the policies instituted by our management and the amazing work our talented individuals carry out. Currently, we are still growing despite market challenges, but Servier Thailand hopes to continue improving its service offerings in the local market by working closely with stakeholders and ensuring that the needs of our local clients are met. Our goal is to continue to deliver high profit results so that we can sustain our objective, which is to remain a research-based organization. Moreover, because the pharmaceutical industry is a long-term lifecycle organization we have a long-term commitment to our long-term benefits for Thailand and its people.

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