Interview: Ahmed Kelani – Managing Director, Medical Union Pharmaceuticals, Egypt

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Medical Union Pharmaceuticals (MUP) acquired Lilly's Egyptian human insulin vial manufacturing facility in early 2015. Managing Director Ahmed Kelani discusses the national significance of this acquisition given Egypt's high prevalence of diabetes, and how the transferred technology will support MUP's ambition to become a leading pharmaceutical manufacturer in the region.

Medical Union Pharmaceuticals (MUP) made a bold step last year in agreeing to purchase an insulin production facility from Lilly; how important is the technology transfer aspect of this acquisition for MUP's development?

Despite a turbulent economic and political environment in Egypt, we saw an opportunity in the acquisition of the fixed assets, production line and products of the Eli Lilly plant to produce insulin. Given MUP's understanding of the needs of diabetes patients in Egypt and desire to support our country's increasing demand for insulin, and our experience and high quality manufacturing standards, acquiring this facility was the best opportunity for us to manufacture high quality human insulin vials to provide these patients with treatment. Moreover, it is our goal to enhance the capabilities of the Egyptian healthcare and life science industry to the next level, and provide our patients with domestically produced medicines at global quality and technological standards.

To achieve this goal, a significant level of technology is being transferred to MUP from Eli Lilly, and integrating the experience and knowledge of Eli Lilly employees into our operations and business will play a crucial role in developing our own capabilities. In addition, we continued sourcing raw materials, packaging, packaging materials and spare parts from the same suppliers accredited from Eli Lilly in order for the factory to be up-to-date and ready for production as soon as possible, which began earlier this year under our own brand, Insulinagypt.

This acquisition has also made MUP the first Egyptian company to acquire a factory and products from a multinational pharmaceutical, which is an exceptional step that has enhanced the assets of our business, and will support the growth of our sales in domestic and export markets. Furthermore, with this step we have become one of the first Egyptian manufacturers of insulin, helping Egypt to meet the domestic demand for insulin, which is a crucial and life saving medication for a large number of Egyptian people.

What sets MUP apart from other Egyptian pharmaceutical manufacturers, and why is MUP the partner of choice for MNCs?

MUP is one of the largest healthcare companies in the MENA region with over 30 offices, and our state-of-the-art manufacturing facility in Abu Sultan, Ismailia, is one of the largest pharmaceutical manufacturing facilities in Egypt. Prior to our acquisition of the Eli Lilly insulin vial manufacturing facility, MUP opened new manufacturing plants for the production of Cephalosporin and Penicillin.

Since we began manufacturing in 1988, MUP has adhered to stringent quality standards in all of our processes and practices, including environmental, health, and safety standards, and we continue to invest in the development and modernization of our facilities to ensure that we continue to produce top quality products. MUP alone has products in 12 different therapeutic areas; accordingly the company plays a major role in the Egyptian healthcare sector by providing products that meet a wide variety of doctors’ and patients’ medical needs.

Today we manufacture about 130 of our own products in addition to 55 products under license, and continuously seek to expand our product portfolio and manufacturing capabilities. Moreover, major multinational companies such as Pfizer, GSK and Pierre Fabre trust in our experience and capability and outsource production of many of their leading products to our facilities.

A major factor in earning this trust has been our compliance to cGMP and GLP standards, which means that once a product is approved by the authorities and enters the routine manufacturing cycle, the quality of our products is continuously assured. Of course our equipment and facilities are regularly validated by outside inspectors, and we strive to continuously improve our own

operations and protocols to exceed our and our customers' expectations.

MUP is seeking EMA certification to support the internationalization of the business; how much progress has been made so far?

Preparing for EMA certification, with plans to be ready to submit an application by mid-2018, is one of our objectives that will help us in implementing our growth strategy. Accordingly, our team makes continuous efforts to keep up with the latest trends and developments in the global market in order for us to enter into new markets, acquire new facilities and expand our product portfolio. Regarding our goals in quality assurance and accreditation, we embrace the approach of total quality management. Total quality management is a challenging task, especially due to the tremendous growth of our organization in recent years. We must standardize our processes and policies across all of our facilities, thus we are currently finalizing the implementation of requirements ISO 9001-2008, ISO 14001 and ISO 18001.

How would you assess your current progress towards "occupying an international position in Africa, East Europe, and the Mena region" by 2016?

We have made significant progress in the last few years, but have come to realize that some adjustments to our internal environment are necessary to improve our competitiveness in the external environment. Change is critical for any organization's survival and growth in the constantly changing global pharmaceutical industry. Companies must be able to change rapidly, but even more importantly, they need to be able to change faster than their competitors. It is our goal for MUP to be a young and agile organization, and this is strongly supported by our employees' keen perception of the latest trends and developments in the industry. That is why alongside our pursuit of official quality certifications, we are also emphasizing the training of our employees, and we want to establish a culture of self learning organization, across all aspects of our business, from procurement, to manufacturing, supply chain security, and of course the health and safety of our patients and employees.

How will you define success for yourself and for MUP in the next five years?

Success for MUP is achieving our goal which is to be one of the top five leading trans-national pharmaceutical manufacturers in the Middle East, Africa, and Eastern Europe region. In order to attain this position, we must build upon our past successes by taking our operations to the next level to ensure future growth, and establish a strong mentality of continuous improvement so that this growth can be sustained. Driven by this vision, we strive to deliver operational excellence in all aspects of our business, while increasing the agility and responsiveness of our business to be able

to compete effectively in the dynamic international pharmaceutical market.

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