Interview: Dr. Attila Lukács – Managing Director, CSL Behring Hungary



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The managing director of CSL Behring Hungary,

Attila Lukács, discusses the company's recent establishment in Hungary, the strategic benefits the country offers, as well as his experience starting an affiliate from scratch. He also shares his thoughts on the recent expansion of CSL Plasma in Hungary and his vision for its future.

The majority of multinational pharmaceutical companies had long been established in Hungary prior to CSL Behring opening an affiliate. What were the motivating factors behind finally entering this market in 2012?

CSL Behring considers Hungary to be a strategic country, as well as one with a famous history in the pharmaceuticals and manufacturing industry. We believe there is significant demand in Hungary for our therapies, which are used to treat hemophilia, immune deficiency and other rare and serious diseases.

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When you were approached about starting the affiliate in Hungary what was your reaction? How did you go about preparing for such a task?

When I joined CSL Behring I had to make the transition quickly. We as a company faced a highly competitive market, and we had to be equally competitive. That was the only way that we could be successful.

I had previously worked at large multinational companies and this opportunity with CSL Behring was particularly interesting. The challenge of starting a business operation in Hungary and building a new team and business in this area was very appealing. We needed to clearly set our objectives and strategy for the CSL Behring affiliate in Hungary, which is representative of a global leader in the plasma protein biotherapeutics industry with a wide portfolio of quality products.

Is there any area where you could have used more support from government or regulators?

Market access is extremely important in a country like Hungary where you cannot develop your market without reimbursement. So far we have gained reimbursement for five products. When we apply for reimbursement for a new innovative therapy we often face difficulties. For example, authorities require us to demonstrate cost-effectiveness in areas where inexpensive treatments such as steroids or antibiotics are available. This is not possible and can delay or simply block inclusion in reimbursement. The industry together with the authorities should address this important area and seek to find a common solution.

What initial items were at the top of your agenda as general manager?

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Developing relationships with healthcare professionals was our first priority. We also needed to develop partnerships with patient associations. For example, hemophilia patient groups are very influential and have contributed to improving patient care in terms of increasing availability of hemophilia products and also improving patient access to care in Hungary. Our competitors were not happy that we entered the Hungarian market because CSL Behring is a global leader in most of its business areas. We soon established our brand and were able to launch new products. Overall, I would attribute our success thus far in Hungary to developing a keen understanding of the market, collaboration with patient associations, and being committed to our promise of improving patient care and market access.

You mentioned hemophilia as being very widespread and an area in which you faced heavy competition. How did you convince patient groups and healthcare professionals that the therapies offered by CSL Behring are better than your competitors?

We are always demonstrating not just the benefits of our products but also the new overall treatment concept that can lead to a paradigm shift. We increase awareness of new therapies not just among physicians but also patient associations and even payers. For example, when we wanted to launch our new product, fibrinogen, in anesthesiology, very few physicians were aware of new therapies for perioperative bleeding. Instead of using fresh frozen plasma, which can cause many complications, there is clear evidence for using factor concentrates as targeted therapies that can quickly and efficiently stop the bleeding. This is an area where we are still continuing to increase awareness among healthcare professionals and the public. We have reached a good level of acceptance of the new concept, but this treatment paradigm has not reached adequate levels in terms of funding. Currently, hospitals have to fund this therapy out of their own budgets, which is obviously challenging. Hospitals should not be limited in acute surgery such as cardiac or obstetric surgery, where the bleeding cannot be predicted in advance.

What are some successes you have had in terms of reimbursements and funding for new therapies?

CSL Behring was the major facilitator and helped to create a special health insurance fund for patients with primary immune deficiency to increase their access to immunoglobulin therapies. This is the same funding system that has been created in oncology. Now that hospitals do not have to cover the cost of immunoglobulin for the treatment of primary immune deficiency from their own budgets, they are better able to treat patients—patients, doctors and payers all benefitting. We are now working to establish more of these types of funds to allow reimbursement for the same therapy for patients with other types of immune diseases in neurology and hematology.

Over the course of your tenure, how much has the affiliate in Hungary grown?

Looking back over the last four years, we have grown nicely, increasing our sales four times over, and we are still looking for new growth. In the last one to two years, market conditions have changed. In almost all therapeutic areas different types of tender have been implemented. It was challenging to be competitive in all tenders in the last year. CSL Behring has more innovative products than many large international companies. However, producing plasma-derived therapies requires substantial resources, so we have to be very focused. At the same time, we continue to look for opportunities to introduce new therapies to the market.

How will you go about adapting the portfolio to more effectively address the unmet clinical needs of Hungarian patients moving forward?

In addition to hemophilia and immunodeficiency, we are launching new therapies in other therapeutic areas such as pulmonology. We have started launching a therapy for the treatment of alpha-1 antitrypsin deficiency, a rare disease where there is a missing protein in the patient, leading to a much higher risk of losing lung tissue. We are supplementing this missing protein with the new therapy, which we are going to launch soon in Hungary. Currently, there is no product on the market to treat this rare, hereditary disease and right now we are working to create awareness that now something can be done.

The establishment of the plasma center in Miskolc in Hungary shows your commitment to the country. Why did CSL choose Hungary for this new center? How do these centers impact CSL's ability to deliver new therapies?

Except for recombinants, the majority of our products are derived from plasma, and there was a significant opportunity for collecting plasma in Hungary. In one month, we're actually going to be opening a second center in Nyíregyháza. Each center has the capacity to employ 20 to 30 people, so the prospect of more centers further validates our long-term commitment towards Hungary through the creation of new jobs and career opportunities. That aspect aside, it takes a substantial amount of capital investment to establish these plasma centers. The next step is to evaluate the potential for providing medicines to Hungarian patients made from the plasma collected here in Hungary.

As it currently stands, the majority of plasma donated globally originates from the United States. CSL Plasma already has more than 120 centers in the U.S., 8 in Germany and most of our competitors have a similar structure. So, the Miskolc facility was the first step in building a more diversified footprint in Europe, which we will continue to expand upon.

Leveraging your extensive career in the industry, what qualities truly distinguish this company from any other multinational organization you've worked for in the past?

At CSL Behring we are truly driven by our promise to improve the health and well-being of people around the world. We continue to introduce new innovations that address unmet medical needs or enhance current treatments. We developed the first therapy to treat hereditary angioedema, introduced flexible dosing for patients with immunodeficiencies and are developing a family of novel longer-acting recombinant coagulation factor medicines to progress the care of people with hemophilia and other coagulation disorders.

CSL Behring is very much focused on patient needs and working hand-in-hand with patients. There is also great team spirit and a focus on collaboration, both here within the Hungarian team and

throughout Europe. CSL Behring very much appreciates its employees. We are not just a number; we are viewed as individuals who come to work every day with the mindset that people’s lives depend on us, because they do.

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