Interview: Veronika Ferencz – Sales and Marketing Manager, Exeltis, Hungary



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Veronika Ferencz, Sales and Marketing Director for Exeltis Hungary, discusses the evolving and expanding footprint of the company in Hungary, the challenges strict regulations on food supplements are causing, as well as the need for better recognition of women's health as a therapeutic area. She also reflects on her own professional past and what she hopes to accomplish in the future.

As an introduction for our readers, can you perhaps share some insights into Exeltis's presence in Hungary, give an overview of its history, and explain how much it has grown over time?

This company was founded in Hungary in 2009; however, at that time we were not Exeltis. Hungary was the first to start building in the branding business within Exeltis. We started with a limited force in Hungary, four representatives and one product manager—that was the extent of our presence in the beginning. However, year by year, we began to grow and presently we are number three on the Hungarian contraceptive market. For us, the oral contraceptive market is still the most important. More broadly, however, we focus on women's health, including everything from food supplements to medical devices. We adjust the products from our mother company, but we also buy products from several third parties as well. Presently, contraception is still the biggest part of

our business. We have 18 employees at the moment, and I believe that our growth over the past seven years has been impressive.

In terms of oral contraceptives, which you named as your primary focus, which brands have had the most growth in this area?

For many years, the Hungarian generic oral contraceptive market was not very developed. We were actually the second player entering this market, after Gedeon Richter. We have five oral contraceptives currently, which are a huge driver of sales. Bayer was the biggest innovative player on the market, while Gedeon Richter is dominant in generics. However, Bayer recently pulled their sales force out of this area, and we hope to capitalize on this to increase our market share and become the second biggest player in the market after Gedeon Richter.

Is there a plan to launch more Exeltis products in the near future to generate more growth?

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Yes, and we are looking forward to this continued expansion. Just in the last half year we launched four products and plan for one more in the fall. Our company is still in the development phase and we have many great opportunities in the pipeline. The future is not only in contraception, but also in fertility, where we already have two products. We are also thinking about dermatology.

In your opinion, what do you believe is behind the recent decline in the contraceptive market in Hungary and, strategically speaking, how does this impact the launch of new products in this area?

This decline began almost ten years ago, and there were several precipitating factors. The main cause has been the changing demographics in Hungary. Our target age is 17-45 and the number of women in this range has been steadily decreasing. The second is due to the changing lifestyle of the female population. Many no longer need long-term contraception, instead they use condoms. Lastly, oral contraceptives cannot be advertised to the public, which obviously affects sales.

With regards to launching a new generic product, a lot depends on if the original is currently available on the market. Our first entrance to the market was with a product that was entirely new, so we utilized a more traditional marketing strategy—talking directly with gynecologist and organizing round tables. Hungary traditionally was not a price sensitive market with oral contraceptives, but is now becoming more so with the influx of generics. Our products are premium price products with premium benefits, but due to increased selection, price is becoming more

important. This is why it is very important to have a strong relationship, not just between our sales representatives and the gynecologists but pharmacies as well.

Exeltis entered the market during a relatively challenging time for pharmaceutical companies. What have been some of the factors that have allowed you to continue to expand your portfolio in Hungary?

To be honest, we were in the right place at the right time. After Gedeon Richter, we were the second generic company operating in this field. Because of my professional history, I had relationships with people across the value chain in the industry, which is likely what lead to my selection to lead Exeltis. I have worked on both the innovative and the generic side of pharmaceuticals. I was able to attract good representatives, which allowed us to build up a very strong team where we could effectively capitalize on the relationships that have been built across the industry.

Do you believe that this therapeutic class is recognized enough in society, and how does that affect women's ability to take the appropriate steps to protect themselves?

I believe that recognition has been improving; however, if advertising rules were less stringent it would be easier, both for women and for Exeltis. When we first began working in this field we did not believe the regulations would be that much of an obstacle in the food supplement sector. Slowly we realized this is not the case, and that the regulations were sometimes even stricter than with pharmaceuticals. It is much more challenging to get the notification for a supplement in Hungary than it is in Italy or Spain. In Hungary, sometimes we have to fight to get the clean notification for a product which is already marketed in Europe and even then it is very regulated as far as what you can say about the product. Even with a large budget, it is very difficult to communicate with these types of restrictions. These restrictions force us to be very creative in finding ways to promote our products. We also promote in the classical way, through the doctors and pharmacies.

You have had an extensive professional history; what made you decide to work in the field of women's health, and how does your time here at Exeltis compare to your past experiences?

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After university I began to work for a Hungarian company, Chinoin, which eventually became part of Sanofi, and later I moved to Schering. These two experiences were very different from each

other. At Sanofi I worked in international marketing, while at Schering I was first the product manager in Hungary. But this was the time I entered the women's health market after I become the business unit manager and I have remained in the field since that time. I am quite familiar with this market, I have good relationships with players in the market, however, that does not mean that I am not continually looking to learn and grow.

In terms of my current role, Exeltis is a private, family-owned company, which has been very different experience than my time working for large multinational firms. Profit is much more important, and I remember that it was strange for me that the owner was active in the everyday business. When we launched a new product, he would call every single day to check on our progress. I could also see that sometimes emotional considerations would impact the decision making process, which was something new to me. Sometimes it is not just financial reasons, but any other factors as well. Of course, in the last 3 years, we started to evolve in certain ways that resemble a larger company. This evolution has been challenging, but I am looking forward to it.

Looking forward to the next three to five years, what specifically do you hope to have achieved here at Exeltis?

To be completely honest, I think that I have reached the dream I had always set for myself professionally, which was to lead a pharma company. This is an accomplishment that I am very proud of. It was very challenging, requiring constant dedication and a lot of energy, but I am extremely proud. We have lots of problems that we need to solve, and as general manager I have to work in every field to be able to accomplish this, which has allowed me to develop an expert sense of the company as a whole. We have had many successes in the Hungarian market, and I can see that what we have built here will continue to grow in the future. For me, I would like to see us become a strong number two in the oral contraceptive market and continue to strengthen our name recognition both with women and gynecologists.

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