James Lim – Executive VP & President Greater Asia, BD, Singapore



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BD's Executive VP & President of Greater Asia, James Lim on the concept of "Shared Value" and how this idea has served to advance healthcare systems across the region, while also positioning the company as the preferred partner in the eyes of all-encompassing stakeholders. [BD Greater Asia comprises China, India & South Asia, Japan, Korea, SEA and ANZ.]

What was the strategic rationale behind establishing Singapore as the headquarters for Asia Pacific and what does it say about the significance that BD places on the region?

BD wanted to find a way to accelerate the growth in the region, and this came down to one primary task: decentralizing responsibility, while building up capabilities to facilitate efficient executive action. Needless to say, Greater Asia is an extremely dynamic region, comprising emerging, developing and developed countries that require a correspondingly nimble and more localized decision making process to quickly act upon opportunities—whether that's regarding licensing, partnerships, acquisitions, etc. We wanted to position BD at the forefront of Asia's brisk potential. Although we've long been present in the region, about four years ago we made a concerted effort to invest in significantly expanding our capabilities in areas such as R&D, product and process development, strategic planning, marketing, communications and government relations.

How is your strategic focus allocated among the many countries under your watch?

No surprise, China occupies a big chunk of my time. China is our largest country in terms of sales in the region and second largest worldwide, and we are still maintaining healthy growth despite the slowdown. Our second largest country in the region is Japan, coupled together with Australia and New Zealand as the frontrunners of our developed market presence. And then there's Southeast Asia, in which each country is comparatively smaller in sales, but overall is growing above the average for the healthcare sector. Additionally, some countries, such as Myanmar, which has just come out from decades of economic isolation, are on the rise, and we see many pockets of opportunities that allow us to make a positive impact on health and grow business. India also serves as the "giant elephant" in the room, and we're seeing more inflows of FDI and a subsequently higher growth rate at the macro level, exceeding even that of China.

What would you define as some of the most pervasive trends in Asia Pacific that are impacting the way medtech companies go about defining success in this region?

In order to truly succeed in healthcare markets across Asia Pacific, companies need to make it a point to address localized unmet needs. This will invariably entail tailored solutions to meet these needs, beyond just products. Many countries in this region don't have the resources or political capital to allocate significant portions of their GDP to healthcare such as in the US and Japan, with approximately 16 percent and 12 percent respectively. China, for example, only spends 7 percent, perhaps even moving to 8 percent in the coming years, while Indonesia spends only 2 to 3 percent. What these countries are looking for then is increasingly innovative avenues to address healthcare challenges—achieving more outcomes with less spending—which has invariably impacted the way decision makers go about addressing patient needs. We're now at the cusp of a healthcare revolution, and medtech companies are certainly on the forefront of driving this change.

Last year, the company embarked on a journey to unveil a "New BD"—a bigger, better, and bolder company. How has the addition of CareFusion effectively contributed to and helped maintain this characterization?

Instead of one company taking over the other, we've pursued it from a different vantage point and identified the common synergies across the two companies to create a vision of fulfilling our purpose of *Advancing the World of Health*. With this marriage, we have a much bigger opportunity

to offer our customers an unparalleled package of solutions that will go a long way in diminishing the region's burden of unmet needs.

Leaning on CareFusion's established competencies, we're also starting to adapt our technologies in tangent with the digitalization era. What this means is that future products will possess more compatible interfaces that complement existing or prospective technologies, as well as generate valuable data that can translate into process improvement and ultimately yield better health outcomes.

Historically, CareFusion didn't have a very large presence in Asia outside of ANZ compared to BD. This presents an exciting opportunity to increase our reach and introduce a whole new variety of solutions—which might already be registered in the US or Europe—into this region, in turn, complementing our efforts in building up our portfolio and becoming a total solutions provider.

Within such an expansive competitive landscape, how would you now define BD's ability to forge a truly unique value proposition in the markets that it operates in?

We try to not measure success in relation to our competitors. Rather, we see ourselves as offering our customers a very competitive set of healthcare solutions that exhibit world-class quality and innovation. Customers want to work with us because we're the preferred partner of choice. We don't just look at products when approaching and conducting business. I always tell my team that we're not here just to deliver products into the market, but to advance the healthcare system for the people in the country, invoking the passion of our purpose to do so. This entails more than selling, but true partnerships such as facilitating worker safety sessions, assisting hospitals with accreditation, collaborating with governments to conduct phlebotomy training, or overall improving upon the competencies of the local workforce.

Governments and non-profit organizations around the world have chosen to partner with BD over the years because we embrace the concept of "Shared Value." Shared Value is a concept put forward by Michael Porter of the Harvard Business School that entails addressing a societal need with a business model to simultaneously create social value and economic value. This is certainly the case here in Greater Asia. We believe that private companies, given their vast pool of commercial resources and knowledge, have a huge opportunity and ethical obligation to contribute back to society and elevate healthcare standards worldwide. As an example, we recently partnered with the WHO on the development of the Odon Device™, an innovative new obstetrical instrument conceived by an Argentinian auto mechanic for assisting the delivery of newborns during

circumstances of troublesome labor. Obstructed or prolonged labors are common causes of maternal and child mortality in developing countries. Traditional methods of addressing these complications involve the use of metal forceps that present risks of serious or even fatal complications. BD is developing the Odon Device in collaboration with the World Health Organization (WHO) and Saving Lives at Birth: A Grand Challenge for Development and support from the Singapore Economic Development Board.

Particularly across Asian emerging markets such as China or India where infrastructure and regulatory policies may not be as developed, market access tends to serve as a primary cause for concern. In your experiences so far, what has and has not worked?

Regulations are an opportunity and a challenge. There is the risk that countries develop disparate types of regulatory paradigms that are not harmonized with each other. That makes it hard for companies because each country will require different considerations, often leading to duplication of efforts and inefficiencies, and worst of all, a delay in patients receiving the best care and treatments. The way we go about our advocacy to minimize this risk is in a very transparent manner, often with associations. BD is quite active on this front, as we value trade associations as an opportunity for all industry stakeholders to come together, establish common ground, and advocate for good policies that serve to drive the industry forward as a collective.

With regards to market access, it’s always important to evaluate both the opportunities and the challenges. The opportunities include the fact that healthcare is growing, there are a lot of unmet needs, and the industry is positioned to make steadfast contributions. In terms of challenges, protectionism is at the top of the list, with many countries putting in rules in the form of local content, regulatory issues, tariffs, regulatory inefficiencies, etc. These are areas in particular where we partner with not only associations, but also governments to come up with mutually beneficial solutions.

How does BD differentiate itself when it comes to educating healthcare stakeholders, particularly in a region as fast changing and evolutionary as Asia Pacific?

We have established many public-private partnerships to educate healthcare workers and policymakers. Whether it’s establishing a phlebotomy school in Vietnam or building up laboratory capacities for TB in Indonesia, the overarching theme is to recognize where the country is in its

development and determine how we can best partner to build a long-lasting, sustainable knowledge base. For example, by establishing “training the trainer” programs or building up an enduring center of excellence, we can extend an influence far beyond the lifetime of our partnership.

In many countries in Asia, healthcare workers aren’t as aware of best practices as in the more developed parts of the world, so companies like BD have an obligation and opportunity to facilitate this knowledge. When we approach partnerships with transparency and a commitment to advancing health systems, we find that governments in this region are quite forthcoming in maintaining open communication channels with the industry.

What qualities have depicted the country as such a favorable base to manage operations across Greater Asia?

BD chose Singapore as the base for its expansion operations in Asia Pacific for several reasons. First, it has a very stable government, coupled with well-established infrastructure to house a regional headquarters. From Singapore, there’s a 5-hour radius to reach most markets from Australia to China to India and Pakistan.

But most importantly, there was a substantial pool of quality talent. The government has done a phenomenal job in not only attracting top talent from all over the world, but also building up the capabilities and skills of its own population. Right from the early onset of the country’s history, Singapore has always employed an extremely business-savvy outlook when it comes to providing a workforce that complements the whole spectrum from very basic labor to advanced innovation.

Singapore is a fantastic pilot ground for influencing the best medical practices in the region. With its prevalent forward-thinking attitude, the country effectively serves as an experimental basis for pioneering better technologies, processes, and solutions with the patient of the future in mind. Undoubtedly, Singapore will continue innovating higher up the value chain, further validating its role as a truly strategic hub for BD.

What value does a small market like Singapore bring to the company’s global footprint today?

BD has been investing in Singapore for over 25 years and the importance of the country for the company has grown over time. We started out as a sales and manufacturing center, but a decision was made several years ago to make the country BD's regional headquarters. This entailed bringing in strategic capabilities such as strategic planning, marketing, legal, procurement and public affairs to evolve into a more value-added footprint—seamlessly aligning with the country's own ambitions.

We now have nearly 1400 associates in Singapore, including more than 100 working on various strategic functions spanning R&D, innovation, process development, automation, and pilot manufacturing, collectively defining what we call our "manufacturing development" center—the only one of its kind in BD's worldwide network.

One of the most notable products to come out of this center was the Intima II™ Safety Catheter, designed specifically for China. In this instance, we designed our product with an understanding of local practice of catheter insertion and a focus on how to enhance efficacy in all aspects including costs, convenience, and safety. We recognized that simply importing practices from the West was not the best strategy to meet local needs.

What are three things that excite you most in the coming years?

The huge amount of unmet needs is one aspect that excites me, given that improving widespread access to healthcare is nothing short of a lifelong pursuit. As you travel around the region, you can see the true amount of suffering that occurs due to lack of access to quality healthcare, and in turn, the unique opportunity of elevating the social welfare for half of the world's population.

Secondly, I find enormous joy in working with the very committed and innovative team in Greater Asia. Our associates have a very strong sense of culture and values. There's a lot of excitement and enthusiasm in the workforce directed towards building a bigger, better, and bolder BD.

Lastly, I'm looking forward to further developing our current public-private partnerships, while seeking alternative channels to forge new collaborations with community stakeholders across the region. And this all comes back to our notion of "Shared Value," which extends far beyond commercial prospects. This approach to business produces far-reaching benefits across the value chain for everyone involved, including patients, healthcare practitioners, governments, and companies themselves—falling in line with our ambition of becoming the recognized partner of choice and our mission of *Advancing the World of Health*.

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