Interview: Augusto Mitidieri – CEO, Sintetica, Switzerland



"There is room for significant improvement in the way that acute post-surgical pain, experienced in the 24 hours following surgery, is managed"

01.12.2016

Tags: Switzerland, Sintetica, Anesthetics, Pain Relief, Pharma, Pharmaceuticals, Healthcare

Sintetica, Switzlerland's longtime leader in local anesthesia and pain relief with development efforts in neuromodulation, started an ambitious internationalization strategy in 2011. CEO Augusto Mitidieri discusses the company's expansion progress and highlights areas of unmet medical need around anesthetics.

What are the most significant unmet medical needs in the realm of local anesthetics?

There are three main unmet needs in the field of anesthesia that Sintetica has developed strategies to address.

The first stems from the fact that there have been huge developments in the technologies used to provide care in the hospital setting over the last two decades. In situations where patients would historically have been given injections or infusions, today pumps which are managed using sophisticated software are now common. Yet, the formulations of the anesthetics and other pharmaceutical agents delivered via such devices have not been updated to fully leverage the capabilities of these devices. As such, Sintetica has developed a strategic product line called Premix which consists of ready to use products in optimized containers that closely meet the needs and capabilities of these technologies.

Second, there has been a dramatic change in the way surgery is done, with minimally invasive techniques drastically reducing the length of many surgical procedures. Again, regional anesthetics

have not kept pace with this fundamental chance in situations in which they are applied, and today many patients experience side effect from anesthetics such as vomiting, nausea, and dizziness which could be reduced via more precise anesthetic techniques. We see the need for a paradigm shift such that anesthesia becomes a central issue in perioperative medicine, such that anesthesiologists are given the tools to tailor the anesthetic to the time and scope of the surgery. As such, Sintetica is working to develop a scope of innovative products and techniques around this concept. Aside from avoiding side effects, this would of course support patient welfare and help to reduce delays in recovery such that patients can go home sooner, even in the same day, which of course would help to reduce the total cost of care.

The third unmet need is an extension of the second, as patients can now commonly go home on the same day as their surgery. There is room for significant improvement in the way that acute post-surgical pain, experienced in the 24 hours following surgery, is managed in these cases. Sending patients home with pain killers which must be administered via injection or infusion is a problem, and in some instances results in the burden of care being transferred from hospitals and their robust structures to the patient's family. Sintetica is currently in the last stages of clinical development of a candidate which can be administered in the hospital setting before the patient leaves and manage the patient's pain throughout the window of "acute post-operative pain", such that the only supplementary relief they might need can be delivered via pills.

Sintetica is based in Ticino, which hosts one of several pharma clusters which exist within Switzerland. What would you highlight as the particular strengths of the Swiss-Italian pharma industry?

Ticino is a very small region, with a population of about 350 000 people. Yet, there are 27 small to medium sized pharmaceutical companies in the canton. This density is enough to have a strong cluster effect and ensure that all of the companies here are able to attract talent.

Being close to the Italian border and only an hour's drive from Milan also means we have access to the fantastic pool of talent in northern Italy. Indeed, Ticino attracts many more people from Italy in the south than from the rest of Switzerland to the north. As northern Italy has a robust pharma industry itself, as well as some of the best universities and research institutes in Europe, this has many benefits.

[Featured_in]

That said, I see a significant risk to Ticino's prosperity – foremost that posed by the implementation of the 'referendum on mass immigration. Regardless of how it is implemented and the extent to

which it interferes with our ability to recruit from Italy and other countries, such a vote signals problematic social attitudes.

Whatever the regulations, people will not want to relocate to work in a country where they feel unwelcome; I do not say that Switzerland has reached this point yet, but I do see a risk that Ticino and all of Switzerland might suffer economically from these political attitudes.

Sintetica has been a Swiss market leader in local anesthetics almost since its foundation in 1921, yet had no international presence until 2011. How would you define Sintetica's internationalization strategy today?

Indeed, Sintetica's focus is primarily on local anesthesia and pain relief, two areas in which we have been market leader for many years in Switzerland. Moreover, we are also seeking to develop a position in the growing field of neuromodulation.

We established our global division in 2011, which was our first international corporate structure. This division was tasked with pursuing international growth under two distinct models, being a B2B licensing strategy and somewhat later a B2C strategy in select markets.

Could you first expand upon your progress in developing Sintetica's B2B international strategy?

Under the B2B model, we sought to license out our top brands to partners with whom we shared values. Foremost among these values is that people and relationships, including business relationships, come first, and thus Sintetica seeks to build business by finding partners with whom we can share our values – thus, all of our partners must meet strict ethical criteria and share our innovation driven 'quality without compromise' value proposition. This was the most critical and difficult challenge we have faced since beginning our internationalization efforts, however I am proud to say that we have been very successful.

Today, we have submitted hundreds of product registrations in over 100 different countries via this network of partners we have built over the last five years. This first phase of expansion covers North, Central and South America, South East Asia, and North Africa – a second phase which will be started within the next five years will target some of the more difficult markets like China and India. Many of these registrations have yet to come through, but so far we have seen strong growth in the US, and some nice returns in South Asia and the pacific. Although we have yet to see significant revenues from abroad as the registration processes are still ongoing, we are very confident that given our unyielding commitment to quality we will see strong returns on the coming

years.

What progress has been made in building up an international structure to carry out B2C sales?

We had a German distributor called Meduna, also active in Austria, whom we acquired in 2013. As we had worked with them for some time, we already knew the company very well and they similarly knew our company quite well, which helped the integration progress very smoothly and quickly. One of the keys to successfully integrating a company is ensuring that everyone understands the overarching vision of the company and is committed and aligned in purpose towards making it happen – this is often very difficult and we were very lucky to have a situation where this happened very easily.

[related_story]

As such, we now have a solid presence in the German and Austrian markets, and just last year we established a sales organization to cover the UK and Ireland with our own sales force.

When seeking to enter a new market, either directly or via a distributor, what is the primary competitive edge you seek to leverage to penetrate the market?

Sintetica is defined by two core purposes; quality without compromise, and increasing value for patients. We can create value via the development of novel drugs, or engineering products using known chemicals to adapt to novel needs.

Quality is a comprehensive concept for Sintetica, one which does not change regardless of the market under consideration. We guarantee “Swiss quality” wherever we do business, which means thoughtfully designed products, packaged with high quality fully recyclable materials, and delivered with comprehensive assistance to the customer. Our products may use similar APIs to our competition, but when you hold a Sintetica product in your hand you can feel that it is higher quality than a comparable product from another manufacturer.

We create value for customers and patients in a variety of ways, from advanced formulations, to clinical development of additional or more precise indications, or even designing our products with innovative graphics and safety features such as color coding or visual guidelines to reduce the risk of making a mistake.

Looking back at the last five years, the vision was to build a corporate, international company. What will the next five bring?

Hopefully a lot of good news and strong returns to my team’s great efforts! We have built up our international network and have done most of the legwork to register our products in over 100 different countries, and over the next five years we should see these efforts bear fruit and our products launched in many of these countries.

Moreover, our board has already approved our 2021 strategy, which calls for growth driven by “commercial diffusion of innovation”. Thus, with network of partner who share our ‘quality first’ value we should be able to maintain and expand our current innovation driven value proposition significantly over the coming five years.

See more interviews