Dimitris Anagnostakis – General Manager, Boehringer Ingelheim Greece

"The painful realities of the Greek pharmaceutical landscape revolve around two main topics: delays in market access, exacerbated by clawbacks and rebates."

26.01.2017

Tags: Greece, Boehringer Ingelheim, Pharma, Manufacturing, Healthcare, Market Access

Dimitris Anagnostakis is emblematic of Boehringer Ingelheim's corporate values as evidenced by his 26-year loyalty to the company promoting the advancement of innovation. As the General Manager spearheading the only multinational company with manufacturing operations in Greece, he shares his insights on the company's robust portfolio, navigating the difficulties of an unstable pharmaceutical environment, as well as how the company contributes to the Greek economy as a whole.

Mr. Anagnotakis, your entire 26-year career has been with B.I. in a multitude of different functions – from your start as a sales representative, to heading the hospital department, then the marketing department, being a regional manager for France/Italy/Spain, and now General Manager of Greece. How has Boehringer Ingelheim's commitment to Greece solidified over the years?

Boehringer Ingelheim is a family company that is focused on research and innovation. The Greek affiliate has been developed in line with the global vision that is strongly anchored on innovation as it evolved. Building on this strong foundation, our strategic priority today is to enter a new era with diabetes, cardiovascular, respiratory and specialty care products at the forefront. These products are also the pillars for Boehringer Ingelheim worldwide. For the Greek affiliate in particular, production capabilities also lie at the core of our growth strategy. The site was established 40 years ago in 1975 wherein high quality products were produced right at its inception. Today, we boast a network of 65 countries worldwide where we supply our products.

Plans have been set to expand the production site through an investment of 40 million EUR, mostly driven by our innovative diabetic products. Our new diabetic product has shown promising finding in Empa Reg clinical trial to reduce cardiovascular mortality. Based on the results of the trial, FDA approved a new indication for our medicine, ie to reduce the risk of cardiovascular death in adults with type 2 diabetes and established cardiovascular disease.It was the first type 2 diabetes treatment approved with this additional indication and the only oral type 2 diabetes medicine shown in a clinical trial to provide a life-saving cardiovascular benefit. As no other medicine has shown the same results prior, we have high expectations for its sales performance. The industrial plant in Koropi will be tasked to produce a big part global supply, thus paving way for further expansion of the site.

The Boehringer Ingelheim brand speaks of quality, which is also indicative of the way we nurture our workforce. We have a highly-educated workforce, the substantial majority of whom are technical degree holders at minimum. Maintaining an elevated level of education prerequisite is one of key means to constantly propel innovation. The continued investment for our production site is a testament to the level of trust that the corporate headquarters have for the Greek affiliate.

What has been your personal motivation for your loyalty to Boehringer Ingelheim?

The corporate values of the company are aligned to my own. Moreover, it has provided me with the professional development that I wanted to achieve in my career path, as evidenced by my track record in the company thus far. The diversity of roles showcased in my CV speaks volumes about the multifaceted growth I have experienced throughout, benefitting from a wide array of perspectives and functionalities. It has been a tremendous opportunity to have gained a global career development experience instilled through a set of nurturing family values.

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Boehringer Ingelheim certainly has a strong and positive reputation in Greece as the only multinational company with manufacturing operations in the country, producing innovative drugs. Why is Greece important for Boehringer Ingelheim?

Every country in which it operates holds an importance for Boehringer. Nonetheless, the Greek affiliate’s production capabilities have an impactful significance given its focus on innovation and global network in which it supplies. The sense of pride is a widespread sentiment shared by many in our offices, especially as its commitment to Greece is evident from being the sole multinational manufacturer in the pharmaceutical landscape. The manufacturing operation creates a climate which fosters further investment and growth in the future.

Our manufacturing activities have managed to remain fairly insular and has stood through the crisis, and this is largely accredited to our formidable local management approach. We remained unfearful throughout different macroeconomic uncertainties – especially that of the Grexit threat last year – because we are confident with our reputation in the market. Moreover, the commitment to our people never faltered. In the midst of the capital controls in July of last year, we ensured to pay our employees in cash to ease insecurities and guarantee that they are paid their salaries. In consequence, this has also ensured we had a constant and committed workforce cohesively weathering the crisis, as well as constant supply of production.

How is the Boehringer Ingelheim portfolio represented in Greece? Moreover, what are the key products produced in Greece, and what is the division for the Greek market and abroad?

For our production portfolio, more than 20 products are produced in Greece. They range from products for diabetes, which is foreseen to be a growth driver, as well as antihypertensive and anti-inflammatory medicines. 70 percent of production is dedicated for exports, whereas the remainder is geared for the Greek market. In regards with the portfolio of products that we market, our primary focus is on diabetic, respiratory, cardiovascular and specialty care products.

The main change for our portfolio is the recent exchange of our consumer health business for Sanofi’s animal business. The rationale behind this decision was to strengthen both companies’ profiles and positioning in these respective segments. The transaction proposed by Boehringer Ingelheim and Sanofi would create strong global players in Animal Health (AH) and Consumer Healthcare (CHC), respectively, benefit our customers, and increase value creation for the stakeholders of both companies. By further focusing on specific business areas, Boehringer Ingelheim and Sanofi would be able to better target resources dedicated to innovation, human and technical capabilities, as well as market needs understanding. This would bring renewed opportunities based on broader products ranges and strengthened expertise, which would ultimately benefit patients and , employees of both companies and healthcare professionals in the short- and long term.

This swap deal is an expression of Boehringer’s vision for targeted improvement through further strengthening in areas in which we have an advantage in.

As a company intensively focused on innovation, what has been the main market access challenges for new products in Greece, and how are you navigating through them?

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The painful realities of the Greek pharmaceutical landscape revolve around two main topics: delays in market access, exacerbated by clawbacks and rebates. For the latter, it has been an industry-wide burden to pay for the financial shortcomings of the system through clawbacks and rebates. Currently, the proposal put forward was to require a precedent of 14 countries to have a certain treatment, and 7 of which are required to have HTA, before products can enter the Greek market. In addition to the imminent delays that this policy ensues, an extra 25 percent rebate is also in talks to be implemented. Not only do these companies cause plenty of hindrances, but they are a motivational deterrent for companies who would otherwise be inclined to launch products in the market. Especially when these issues are analyzed in the midframe that the average life-spans for pharmaceutical products are 10 years, a 4-year delay in market access is substantial.

There are two products in the current Boehringer Ingelheim pipeline that could potentially be affected, so we are vocal in expressing our concerns, but we stand in firm solidarity with the rest of the industry nonetheless. Despite being a German company and the rather strained relationship of the two countries at the economic level, our Greek affiliate is strongly rooted in this market and our reputation stretches more than being just a multinational conducting business here. We strongly stand behind our manufacturing activities because we firmly believe that local production – which does not necessarily solely refer to Greek production – is a pillar for the economy.

Boehringer Greece has shown an unaverred commitment to production in continuing to supply to over 65 countries despite harsh economic conditions, and therefore, we perceive it to be a deeply unfortunate reality that innovative products face grave difficulties in entering our own market. Other European markets who have undergone a period of crisis have proven that providing investment incentives have been critical to revitalizing a country’s economic engine. Portugal’s pharmaceutical market in particular promoted enticing incentives for clinical trials as one of their tickets to recovery. Encouraging local production in Greece is underdeveloped and underestimated in its potential.

Boehringer Ingelheim also invests in Greece by conducting clinical trials for innovative drugs. Why is this a chosen area of significance for the company?

Investment in clinical trials is of paramount importance for both Greek and global level. An announcement was made in Frankfurt by former global CEO, Andreas Barner, last year for an investment of 11.5 billion EUR in clinical trials over the next five years. For Greece in particular, the last five years has brought on an investment of over 11 million EUR in clinical trials. We work closely with the working group of SFEE who is specifically responsible for ensuring that processes and regulatory protocols for clinical trials are met, as well as encourage a healthy climate for clinical trials in the country.

Boehringer’s innovative anti-diabetic products are recognized as a lever of development by the medical community, and this is largely attributed to the level of clinical trials that has been involved in the process. A significant amount of expenditure was spent of ensuring that robust clinical data is produced to justify its stance in the market, which in the case of the new diabetic product have shown a 38 percent decrease in cardiovascular mortality rates. The medicine itself is not the expensive element. According to the greek legislation, the price of an innovative medicine is the average of the 3 cheapest prices of the medicine within European Union countries. It is estimated that the total cost for Diabetes in Greece is approximately seven thousand EUR per patient per year. Pharmaceutical expenditure accounts only 14,9 percent of the total cost.

Nevertheless, the value of clinical trials cannot be undermined given that the proven high efficacy of the medicine can lead to future savings in the system through lesser hospitalization in the continuum of care, thus ultimately contributing to the economy.

Boehringer Ingelheim is recognized as one of the ‘Diamonds of the Greek Economy 2016’. How do you set an example to further industrial development in Greece in the future?

Boehringer’s strong commitment to Greece is recognized by many as we are not merely a multinational company that merely operates an affiliate in Greece, but our company represents one percent of the total exports of the entire country. We are fully ingrained in the economy of the country. Our reputation speaks for itself and though the recognition is much appreciated; our intention had always been to operate with a strong level of pragmatism. At the crux of Boehringer’s business model is to offer meaningful value , stemmed from the noble vision of the Boehringer family.

Ensuring continuity is at core of the company’s philosophy as it withstands the larger economic crisis. One of the means in which this was assured by Boehringer was through a two-pronged focus of a Human Pharma business unit and an Innovation business unit, each focusing on the commercial framework and the scientific drive respectively. It is important for us to have commercial success as is with any company, but there is also an embedded obligation to propel the scientific advancement through robust clinical data to be developed in parallel with corporate imperatives.

With the significant stance of Boehringer Ingelheim in the Greek pharmaceutical market, what are some of the strategic priorities of the company moving forward, especially given your leadership role that sets a path for the rest of the companies to follow?

Continuity is at the core of our philosophy in our Greek operations. Though we, as an industry, have the utmost will to play as strong supportive role as a pillar for the Greek economy, we are also becoming increasingly cognizant of the length of time of the crisis with no definitive end in sight. There are poignant fears that the crisis is no longer just a phase, but the new status quo of the Greek economy. Recent years of continued overspending of the pharmaceutical budget serves as a concrete reminder that there needs to be a shift for more structural reforms in place as opposed to short-sighted flat horizontal measures.

The Greek pharmaceutical landscape is laden with talent and promotes an impressive culture of dedicated physicians and scientists. As a European market, the standards that we hold pars with some of the most advanced scientific environments in Europe and we must utilize this potential. Thus, it is no longer a pragmatic step, but also an inherent ethical obligation to create a sustainable healthcare system as a gift to future generations. It is important that we, as an industry, conveys that a stronger pharmaceutical budget that is conducive to systematic savings in the long run. I feel a personal responsibility, not only to improve the state of Boehringer’s Greek affiliate as a company, but also to contribute to the healthcare system as a whole through Boehringer Ingelheim.

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