Panagiotis Giannouleas – General Manager, Angelini Pharma Hellas, Greece



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Having joined the company at the onset of its presence in the Greek market, Angelini Pharma Hellas's General Manager, Panagiotis Giannouleas, speaks about the success of the company's transitional period, how Angelini is maneuvering through current local uncertainties, and his overarching vision for the future.

Mr. Giannouleas, having hailed from Faran, a 56-year-old Greek company that was acquired by Angelini in 2008, what can you tell us about what Angelini stands for in Greece today?

Angelini's overarching global expansion strategy is based on the acquisition of local distributors that are typically already distributing Angelini products, which was the case for Faran. Angelini officially acquired Faran in 2008. My professional background started with a 12-year career at Boehringer Ingelheim, which led to my first position at Faran as the Marketing and Sales Director. Upon joining the company, one of my key assignments was transforming a Greek company into a multinational, especially concerning processes and operations.

My first few years in the company primarily focused on different transformational activities for the acquisition. The two companies became fully integrated in 2010, which meant we operated solely as Angelini and launched products in the market. The diversity of the portfolio was largely attributed to the foundational portfolio base that Faran had, complemented by new products

launched in the recent years. Our continued strength in the Greek market is also attributed to the retention of the partnerships that Faran had and incorporating them into the renewed Angelini business model in Greece.

What has been the key area of focus for Angelini Greece?

At the corporate level, Angelini has instilled strategic pillars, which we also follow for the Greek affiliate. Our strategic pillar is dubbed ‘PIN,’ which refers to Pain, Infections, and Nervous system. Given the newness of the Greek affiliate, we also needed to concentrate our efforts on understanding how to grow these strategic pillars while building on the current diverse portfolio as a foundation. We are cognizant of not being hasty so as not to lose our current business, but also shift the business development focus onto the relevant categories.

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In Greece, the Angelini portfolio spans GPs, orthopedics, rheumatologists, gastroenterologists, urologists, dermatologists, as well as gynecologists for IVF centers. Moreover, we also cover cardiologists, which is a unique feature for the Greek operations as this specialty is not typically covered in Angelini’s global portfolio. We have also begun to include the hospital sector in 2016 and we plan to launch products in the pipeline for 2017.

It is also a strategic focus of ours to grow the OTC section of the portfolio, which currently accounts for 18 percent of total sales. The goal is to grow this figure to 30 percent in order to reflect the larger corporate performance of these products. Though the OTC portion in Greece is currently below global standards, we are confident that we can take advantage of global competencies at the local level as it is embedded in the Angelini DNA. The OTC sector is of even more importance for Greece as these products are not subject to clawbacks and rebates. The 30 percent target would create a sustainable volume for the business.

What have been some of Angelini’s recent launches and how have they performed in the Greek market?

Our strategy has been to reallocate resources and ensure that we are successfully launching new products as well as defending our current portfolio.

One of our recent launches took place two years ago and addressed cardiologists; a new specialty for Angelini globally. Our performance in the Greek market was more than encouraging and for this reason, very soon we will expand and strengthen our operations in this sector.

Moreover, since the summer of 2016, we have started performing medical detailing to the specialties of anaesthesiologists and oncologist – new specialties for Angelini in Greece. Up until now, the feedback from the market has been quite encouraging which makes us feel confident for our upcoming releases.

Having been the General Manager of Angelini Pharma Hellas for almost five years, what have been your main achievements so far?

I am proud to say that since my appointment, the company has predominantly experienced much higher growth rates than market trends, turning around the previous company status. I am currently seaking success in new product launches achieving the best launch penetration in the relevant categories. During 2015, we boasted the fifth highest growth rate among the top 35 companies in Greece. Furthermore, our OTC portfolio alone grew from 1.2 million to 3.5 million within the last five years, driven by an Angelini product, Tantum Verde. These solid success track records were driven by a strong team as a whole, which has collectively shown a strong commitment to the brand vision and strategic priorities.

In terms of people and processes, we have achieved the transformation of a Greek company into a multinational company, especially in respect to the code of ethics and standardized operational processes. Our employees are well trained, motivated scientists and now we have all the functionalities of a global company, such as Finance, HR, Medical/Regulatory, and Supply Chain/Exports teams, though on a smaller scale. Ultimately, we aim to be a patient-centric company through a well-trained and motivated staff.

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Market access and clawbacks are two of the main challenges for the pharmaceutical industry in Greece. How is Angelini Pharma Hellas navigating these obstacles?

The issue of market access covers a wide breadth of aspects in Greece, but the focus nonetheless has remained on facilitating the accessibility of innovation to Greek patients. The greater challenge lies in clawbacks and rebates as they are mechanisms that particularly pertain to Greece and not experienced in the scale seen here by other EU countries. The targeted budget for pharmaceutical expenditure has been set at 1,945 billion EUR this year but approximately 780 million will be returned by pharmaceutical companies through clawbacks and rebates. The contribution of the pharmarmaceutical industry stands at the enormous 28 percent! On top of this mechanism we have to add hospital clawbacks which were introduced this year. As yet, the form of implementation for these hospital clawbacks remains uncertain.

It has been agreed upon with our European partners that clawbacks must be reduced annually for the next three years by 30 percent. However, the most contended aspect is the fear that the reduction in clawback could potentially result in an increase in rebates. The important thing is to establish a mechanism where the level of rebates is essentially the same, reducing clawbacks by 30 percent as agreed and allocating the amounts transparently and rationally to the pharmaceutical companies.

It is imperative to creating sustainable structural reforms, since price reductions alone are simply not sufficient. The hasty measure of price reductions has now reached a point in which its impact is much lower than the desired results. There are very low expectations to be achieved from this tactic from now on. Pharmaceutical expenditure declined 60 percent in value from 2009 to 2016 and therefore the focus must shift to volume controls through implementing proper therapeutic protocols.

Increasing generic penetration is another highlighted strategy in building a pharmaceutical policy with longevity. What does this mean for Angelini Pharma Hellas?

Although we are not aiming to be involved strategically in the generic business, I believe that a higher generic penetration is integral in building structural solutions. It will contribute to a holistic improvement to the pharmaceutical industry as a whole. A target of 60 percent generic penetration was set a few years ago, although it is a figure that does not seem feasible in the upcoming period.

Economic instability is not unique to Greece, as the same adjective could be used to describe markets such as Italy and Portugal, although the magnitude at which it is experienced here is the differentiating element. For example, Greece has had 166 legislative ammendents in the last five years, which averages to one amendment per 11 days. It is evident to all involved in the pharmaceutical industry that a foreseeable environment is needed. Collaboration amongst all stakeholders is a key element, as proven by the example paved by Portugal as it emerged from its crisis. Creating a dialogue and a path to structural changes will be an essential part of the process.

The spirit of collaboration has been evident among both industry players and associations. Do you see the same level of cooperation from the authorities and government?

In the last few years, there has been more openness in the regulatory environment. Although things are not ideal, there have been plenty of positive achievements in this timeframe, including a sophisticated electronic prescribing Rx system. I believe that the industry is heading along the right path, although we still lack the speed and the tempo in order for the changes to be truly impactful.

The parameters remain uncertain. We are really unable to plan for the upcoming years properly, given the instability. I have personally become more meticulous in the updates I provide to Corporate waiting to become firm decisions, in order to maintain a coherence and solidity in our operations that is challenged by the unstable times.

What has been the motivation behind the operations here and why is Greece still a good market for Angelini?

Greece is a country where there is the highest level of complexity and being able to successfully navigate this market indicates that we will be able to achieve success anywhere. Furthermore, we have shown a successful operation here despite the challenges faced. Corporate definitely believes in investing Greek operations given our strong track record here as well as the fact that the structure we have in place is robust and has weathered current uncertainties. This will only bring more success when the environment becomes more normalized.

What are the strategic priorities for Angelini Pharma Hellas in the next 3-5 years?

It is clear that our main priority is achieving a harmonized portfolio with Angelini Group successfully launching our new products. Our concentration lies primarily on the product launches in areas of Pain, Infection and Nervous system (PIN), while being cognizant of defending our current portfolio. Increasing the OTC portfolio from 18 percent to 30 percent of sales is another area of focus to match our past growth and propel it even further. Moreover, in line with Angelini's expansion, we are also looking at potential acquisitions/partnerships in Greece to continually expand our presence here.

How would you like the Angelini brand to be perceived in Greece?

I would like Angelini Pharma Hellas to be the first choice for any Greek patient regarding his/her treatment in the areas in which we operate. We aim to achieve this status of reliability and reputation along with being recognized for scientific excellence driven by a highly-motivated workforce. Ultimately, my vision is to attain continued sustainable growth, in both values and market share, as well as maintain an exceptional workforce that is proud to be a part of Angelini Pharma Hellas family and its Vision.

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