Interview: Michele Genovesi – Group Head of Business Development, Soho Flordis International (SFI), Switzerland



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Soho Flordis International (SFI) has the ambition to be a global leader in premium natural healthcare solutions, and is leveraging extensive M&A activities to reach this goal. Group head of business development Michele Genovesi discusses the group's aims and strategy, and explains how Ticino based Ginsana SA – now SFI Switzerland – came to be a regional headquarters and center of excellence for the group.

Michele, as this is the first time Pharmaboardroom has met with Soho Flordis International, to begin could you please introduce the group to our readers?

Soho Flordis International (SFI) is an Australia based company with headquarters in Sydney and regional hubs in the US and in Europe. SFI was established with the goal of becoming a global leader in the field of natural healthcare products, first and foremost in terms of highest quality as well as scientific and medical standards. From source to patient, SFI aims to develop natural healthcare products proven to be effective with dedicated clinical trials, and is committed to sourcing quality ingredients through rigorous processes therefore providing a degree of quality beyond that of most manufacturers that operate in the same field.

Another interesting feature of the SFI group is its multicultural environment, the regional Europe, Middle East & Africa (EMEA) hub is managed from SFI Switzerland by my colleague Michael Clark that has the main task of growing the business across the EMEA region. He is British, and like myself, comes from a career developed in multinational environments. This cooperation and integration between the region and the global approach is in my view a concrete strength of our organization. SFI is still small enough to solve a problem with a phone call, but big enough to execute ambitious global growth strategies.

In 2013, SFI embarked upon an ambitious strategy through a mix of organic growth and acquisitions. This started by acquiring Swiss based Ginsana SA from Boehringer Ingelheim, and at the same time there was also the acquisition of the US-based company ProThera Inc. Since then, SFI has expanded further by acquiring an additional American company, Complementary Prescriptions, in 2014 and then UK based Potters in 2015. All of these companies have been chosen for their strong heritage in different areas of natural medicine, ranging from herbal and botanical medicinal products to probiotics, nutraceuticals, and vitamin/mineral/nutritional supplements, and all can be considered “premium quality” brands in their market of reference.

Following this growth strategy, in just a few years, SFI has gone from being a local Australian player to a ‘pocket multinational’ – a lean, fast, and nimble multinational entity spanning Asia Pacific, Europe, the Middle East, South Africa, and the Americas. As such, the growth has been exceptional – a truly explosive expansion. Moreover, this balanced strategy of acquisitions and organic growth is set to continue.

As group head of business development, what are the main business development priorities?

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I am a director and board member of the Swiss legal entity and serve as the group head of business development, meaning all issues related to M&A strategy, in-licensing products, and exploring other new opportunities to grow our business.

Right now the company has identified three dimensions or stages to develop our business. The first one will be to leverage the business we currently have and forge a new, consistent message in terms of our branding and marketing strategy. Second, we will continue to expand geographically, in some cases via acquisitions – as SFI has a proven track record of acquisitions, there are certainly some interesting opportunities in European markets where we will be looking for either a very good distribution partner, or acquiring a suitable company to establish our own presence in the market.

The third stage is cross selling or homogenizing our portfolios in different countries, to amplify growth by bringing all our products' portfolio in all these countries where we have only one part of the portfolio present.

Could you expand on the challenges you are facing around branding?

Given our recent string of acquisitions and the diverse brands that SFI has accumulated, introducing a new better standardized branding is an essential priority for the company as this process must be completed in order to effectively move forward the product portfolio across different markets with "one face".

At present, we have a wide variety of different products with different histories, geographic footprints, and branding. As we speak we are now starting to incorporate these legacy product lines into a more cohesive portfolio, and a very significant part of that effort is standardizing the visual image and language of these products, and then tying it all together under a new global brand. In parallel, we must also make sure that our messaging is suitable for the different target audiences we intend to pursue, namely physicians, pharmacists, and of course the general public.

It is for that purpose that we are creating three different products' categories, or "pathway brands": one is our "Klaire Labs" line of practitioner exclusive nutraceuticals directed towards healthcare professionals. Another is the "Flordis" range, aimed at Health care professionals in particular pharmacies. Last but not least is the "Potter's" line, for the broader audience of consumers. One additional trait of many of our products is the importance of the Swiss heritage of SFI products produced in our Swiss SFI entity here in Ticino.

You indicated that rebranding will be an essential first step before you can move forward in other ways – could you expand on this?

Once we roll out our new branding, not only will it help to rejuvenate our products in their current markets, but it will pave the way for SFI to more easily launch products, which we acquired in other countries. For instance, some products are currently very strong in the Middle East, but some others are strong in Australia / Asia Pacific , but not across the Middle East. By introducing the new global SFI branding to the Middle East markets, it will be easier to introduce new products across this territory.

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You were the CEO of Ginsana – now SFI Switzerland – when it was acquired. What role has this company come to play within the SFI global organization?

The acquisition of Ginsana was, in my view, the most important SFI has made thus far, and today SFI Switzerland, still legally and locally known as Ginsana SA, accounts for over 50 percent of SFI's global turnover. As such, SFI Switzerland serves as our EMEA regional headquarters, and a global center of excellence for manufacturing and product research and development within the SFI Group.

In terms of capabilities, our facility here in Switzerland produces about 30 million packs of natural medicinal products, under the highest quality standards. We produce these 30 million packs across 500 SKUs which are exported to over 100 countries around the world. The complexity of managing the logistic and regulatory aspects of this business are significant, particularly in the context of a market sector which is constantly being squeezed by both increasing regulatory pressure and a product commoditization. However, our team in Canton Ticino has effectively, efficiently, and profitably managed this complexity for several years, and is the clear demonstration of the excellence that we have brought to the SFI group.

Seeing as SFI Switzerland is based in Bioggio, Ticino, what would you highlight as the "Ticinese excellence" which your team can bring to the SFI group globally?

Ticno is known in Northern Switzerland as a great vacation destination with lots of sun, and this image – which is truthful – sometimes shadows another truth: the entrepreneurial potential of the region. Most people, sometimes the Ticinesi themselves, underrate the potential of Ticino and what the people working here are capable of.

Ticino offers a very strong and structured administrative framework, plus all the benefits of operating in Switzerland from both an administrative and legal perspective. The interesting part is the combination of some of the more Italian attributes; the creativity, entrepreneurship and passion that gives Italian entrepreneurs so much energy, mixed with the rigor, discipline and business acumen of the Swiss.

We understand that prior to joining SFI, you played a significant role in creating Ginsana. What is the story behind how Ginsana came into existence, and was then acquired by SFI?

We do not do justice to the history of Ginsana, and the SFI group, if we just look back over the past few years. The SFI group represents a group of companies with some 200 years of history. Ginsana itself was founded more than 70 years ago under the name "Pharmaton", and its recent development is equally defined by its past as well as by its future aspirations.

Ginsana was “spun-off” from the Boehringer Ingelheim group in the year 2009 in order to develop two independent business sectors: an industrial business plus a line of top level natural products. We were particularly successful in doing this, as major multinational pharmaceutical companies (namely Boehringer or more recently Sanofi) decided to work with us as a manufacturer of their products. With regards to the natural products line, this was the principal reason as to why we started our relationship with the SFI group – a like-minded company with the aspiration to create a leading position in the field of high quality natural health products.

The fact that we have been successful in these areas is demonstrated by the fact that Ginsana, since 2013, has been part of the SFI group and that we are successfully making progress in our journey to become the world leader in clinically proven natural medicines.

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