Interview: Andy Barnett – General Manager (Hong Kong and Macau), Roche, Hong Kong



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Andy Barnett, general manager (Hong Kong and Macau) for Roche, discusses the highlights of his past two years managing a local affiliate instead of heading a global business line, the key factors behind Roche's top-5 positioning in the local market, and the huge potential for innovation in aspects like digital healthcare delivery and cutting-edge academic-industrial collaboration that Hong Kong holds.

Andy, having moved from being an international business leader for products in Roche Switzerland to now heading a full affiliate since October 2015 in Hong Kong. Almost two years in, how have you adjusted to the new responsibilities?

Throughout my career, I have had the privilege to work across many departments, functions and markets. I relish the opportunity to experience new roles and acquire new skills, so over the past eight years, I have developed a holistic understanding of the way Roche operates. This helped to prepare me for taking up the position of managing a full affiliate in Hong Kong as I already had a bird's eye view of company operations.

As general manager, I now have much more of a cross-functional role compared to my previous role as a global business leader for a new molecule. My current role is more about leadership and people management. The people I work with here in Hong Kong are very hardworking and energetic, so it is definitely a pleasure to manage them. As a foreigner, I feel that I can contribute

by offering a fresh perspective when it comes to evaluating Roche's operations here, in terms of both the opportunities and challenges that we face here.

Roche has always performed very well in Hong Kong so I felt more empowered to take a people-oriented, impact-driven approach to running the business here. I am pleased to say that the business here is growing even better than before over the past few years.

What have been the key drivers behind Roche's successful performance in Hong Kong in the past few years?

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Roche has always taken a very holistic approach in every country we are in, and we emphasize full collaboration with local stakeholders in order to support healthcare provision locally. What I did when I first arrived was to implement some strategic structural changes in order to better drive the affiliate's performance.

One main initiative was the clustering of functions, so for instance, placing people in teams to support new product launches, and grouping the management of older products under one single team. This was important because Roche is a very innovative company with a strong pipeline and in the last 18 months, we launched five new molecules. Hong Kong is usually one of the first markets in the region to launch new products, typically after only a few months after Europe, so it was important to manage this aspect of the business here as efficiently as possible.

What has been notable about Roche's performance in Hong Kong is that it has been driven not just by our strong pipeline but also organic growth in our older products, which is rather uncharacteristic for a specialty pharma company. This has been done through a targeted approach that identified which were products that would benefit from increased investment and which were products that had no further growth potential. We would then focus our efforts on the former group and find ways to realize the market potential there. Sometimes, it could be a very simple action like picking up the phone to check on an existing client to see if they needed to be resupplied. But these were areas that had been overlooked before we decided to take a more structured approach to the business here. We are also working very efficiently with local distributors for selected products.

I also manage Roche's Macau business and that has seen very strong growth in the past few years as well.

Hong Kong may have a very advanced healthcare system but it is also a rather small country. What makes this an attractive market for Roche to launch new products quickly?

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Personally, I see Hong Kong is a latent hot-bed of healthcare innovation. What I mean by that is that Hong Kong is already a very digitally advanced society, yet healthcare has not benefited significantly from this yet. With an enhanced focus on healthcare innovation, I could certainly see Hong Kong being of real strategic importance to companies like ours.

As the largest biotech company in the world and also one of the top 25 publicly listed company across all industries globally, Roche is fundamentally committed to ensuring that our innovative medicines reach the patients that need them, no matter where they are. In Hong Kong, we rank within the top five pharma companies, and in fact, if you disregard vaccines, we would be the top one or two pharma company in Hong Kong. We also have a rather strong presence here with over 120 employees.

Furthermore, while Hong Kong may have a small population size, in the Asia-Pacific region, it is the fifth-largest market for us – after China, Australia, South Korea and Taiwan. Our business in Hong Kong is performing very well, as I mentioned, and so Roche does see very strong commercial value in continuing to invest here. In line with global trends, oncology is a major growth driver for us here as Hong Kong is facing the problem of increasing cancer incidence as well. We are also committed to providing medical education and patient empowerment programs so that healthcare stakeholders – government, institutions, healthcare practitioners and patients – are informed and able to make accountable decisions.

Hong Kong's healthcare system is a mix of reimbursement and self-financing, with 'premium drugs' falling under the self-financed model. How does this affect the way Roche manages its product launches here?

Hong Kong's healthcare system is very developed and the government is very supportive when it comes to facilitating the availability of innovative products. With product registration being relatively straight forward as long as there is approval from two reference markets, obtaining product registration in Hong Kong is not complicated, though it will take up to around six months.

Following registration, new products are immediately available in the private system with the cost of treatment either covered by insurance or paid by the patients themselves. In the public system,

access can take longer than in other developed markets. While I believe that it is entirely appropriate for governments to thoroughly assess the benefit offered by new medicines, we are constantly working with them to try and find ways to expedite funding so that more patients in need can benefit.

Roche also provide a large number of patient support programs, which can also help to expedite treatment for those in need.

In general, I am very confident that Roche's focus on innovation places us in a very strong position in Hong Kong, since the government clearly prioritizes innovation when making trade-off decisions.

The overall healthcare system has also proven very collaborative and public healthcare stakeholders are very open to new ideas like drug co-development, patient consultation groups and risk-sharing programs for reimbursement. This allows Roche to do a better job of understanding and subsequently adapting to the local market.

Given Roche's expertise in oncology, how are you collaborating with government and other institutional stakeholders to shape the way cancer is treated and managed here?

This is indeed an area that Roche is very strong in and in Hong Kong, we have strongly advocated for a coordinated national cancer strategy. Roche is part of the Oncology Innovation Study Group, which recently released a report called 'Improving Patient Outcomes: A Cancer Strategy for Hong Kong' benchmarking Hong Kong's performance against other countries. We were surprised at a few key findings that the Hong Kong market currently takes a longer time to receive and implement innovations in the field of oncology and that the number of oncologists in terms of patient population is rather low. Furthermore, relatively few cancer drugs are fully reimbursed in Hong Kong. The Group outlined three areas for improving cancer care in Hong Kong: time to treatment for cancer patients, access to oncology medicines, and provision of palliative care.

More generally, we are also working to increase patient empowerment and awareness. Compared to Europe or the US, patient advocacy is still not very mature in Hong Kong, along with the rest of the region, but I suspect that this consciousness will develop at a much quicker pace than it did in Europe. For instance, Hong Kong is already such a digitally well-connected city and we do see patients and caretakers sharing their healthcare and medical experiences on digital platforms and learning from each other.

One of Roche's core principles is to be driven by excellence in science, placing a serious emphasis on external R&D collaboration. Given Hong Kong's robust academic standing,

what scope is there for Roche Hong Kong to work more closely with academia here?

It certainly benefits Roche that Hong Kong has world-renowned researchers. It was also an early adopter in terms of genomic sequencing technology, for instance, which is a particular area of interest for us. Hong Kong also has one of the highest-quality clinical trials environments in the world, with international recognized clinical trials centers, experienced clinician-scientists and doctors, high-quality data and a world-class healthcare system. This is why Roche conducts around 28 to 30 clinical trials in Hong Kong every year, from phase I to phase IV.

The only area for improvement I would cite here – in order for Hong Kong to really be considered the ideal clinical trials environment – is the lack of coordination. For instance, private and public hospitals do not necessarily communicate with each other about clinical trials, which affects patient recruitment and site delivery. Clinical trials are sometimes the quickest way for patients to receive the most innovative products quickly so more communication on this is important. There is also insufficient support for doctors in the public sector to conduct clinical trials in addition to their heavy workloads.

As you said, you see your current role more in terms of providing leadership and people management. With Hong Kong people having a reputation for being hardworking and efficient, where do you see your responsibility as general manager?

I am certainly grateful to be working with people that bring their energy and ideas to the workplace every day! What I have noticed is that in contrast to Canada, the UK and Switzerland, where I have worked previously, there tends to be more of a boss-employee gap, which here is exacerbated slightly by the language gap – as Cantonese is used in the workplace outside of formal business meetings. I have placed great emphasis on building relationships with my employees in order to better understand their needs, expectations and challenges. Sometimes this means taking simple steps like removing the walls from my office so that I am much more easily accessible!

As CEO Severin Schwan says, “as proud as we are of past and present achievements, what really excites us is the future”. What excites you most about the future of Roche Hong Kong?

People development is a top priority for me and I hope to accelerate the growth of my people, and see them take larger roles within our global company; many certainly have the potential.

Finally, I am personally motivated by learning something new each day and I hope to bring that energy to my team here as an inspiration for them to do the best they can.

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