Interview: Aylie Widjaja – Managing Director, Exeltis Indonesia



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10.08.2017

Tags: Indonesia, Exeltis, Pharma, Women's Health, Strategy, Manufacturing

Aylie Widjaja, managing director at Exeltis Indonesia, shares her excitement about developing the company's footprint in Indonesia, making it a manufacturing hub for Asia, and highlights the challenges in navigating the public market.

How do you see the Indonesian healthcare landscape evolving?

We are really pleased that things are moving towards the right direction with the implementation of universal healthcare coverage and the advancements the government has made in this regard. I believe that the industry in general and Exeltis in particular can play a key role in its implementation.

I am equally pleased with how the private market is developing, which is certainly more developed than the public market. Further, Indonesia's private market is more advanced compared to China for example.

What do you believe should be the main healthcare priorities of the country?

Even though the market is developing, there are several challenges, especially in the public market. The government has the vision of becoming self-sufficient in terms of catering to the medical needs of the population. However, the cost of manufacturing pharmaceuticals in Indonesia

is still more expensive than in other countries in the region, such as China and India for example. This is mainly due to the fact that Indonesia currently imports 95 percent of its APIs. However, the government is very conscious about this circumstance and is putting efforts in place to reduce such dependence on imports through fostering FDI and NDI.

At the same time, the pharma industry is under immense cost pressure under JKN, negotiating with public institutions like the Social Security Administering Body for Health (BPJS) and the National Public Procurement Agency (LKPP).

In addition, this cost containment environment is even more challenging for MNCs since they have to compete with local industry, which due to the nature of their products as well as their domestic capabilities are able to offer cheaper prices.

In a nutshell, the government has to focus on enhancing the country's competitiveness to reduce manufacturing costs, which will benefit both industry and government in terms of less profit pressures and the financial sustainability of JKN.

Exeltis entered Indonesia when it acquired PT Nufarindo in December 2012. How has the company evolved since then?

Initially, we were very much focused on due diligence. There were significant differences in terms of national versus international manufacturing and regulatory standards.

Part of this was due to the fact that the Indonesian National Agency of Drug and Food Control (BPOM) has enforced higher standards than before. Therefore, a lot of medicines that were in the market at that time did not comply with current regulatory requirements.

Despite having been challenged, we managed to reformulate our drugs and we are positively advancing to this end. At the same time, we are looking at Exeltis Group to find other great products from corporate that can perfectly fit the Indonesian market.

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To sum up, we are just starting to consolidate our footprint in Indonesia. We have to give better options to patients to have more affordable and quality medicines through creating domestic manufacturing capabilities in the country and offer differentiated products.

In order to enlarge its footprint in the country, Exeltis recently invested in a new plant dedicated to the production of hormone products. Could you expand on the manufacturing strategy of Exeltis in Indonesia?

When we acquired PT Nufarindo we started to elevate our manufacturing standards. A lot of things have been done in this regard and I am very pleased that we have already reached GMP standards, with guidance and support from BPOM.

We have already built our hormone manufacturing facility, which we want to position as a hub to serve not only Indonesia but also all Asian markets. Our ambition is to get there in between five to ten years.

We are currently in the first phase, which consists of primary packaging. Our next investment will be allocated to develop our end-to-end hormone manufacturing capabilities. Additionally, we are continuously investing in upgrading our existing manufacturing facilities to improve efficiency.

How important is the Indonesian affiliate within the Asia context?

We are the largest affiliate of Exeltis in Asia and we expect to drastically increase our size in the future. Aligned with that, our corporate management is strongly supporting the development of our operations. It is my job to successfully identify and select the most prospective areas in which to invest.

Internally, we have to continue to rethink our product portfolio, find those products that perfectly fit here. Externally, we are identifying the limitations as well as needs in the country, and thus select those solutions that can fill the existing gaps in Indonesia.

How do you ensure that your portfolio is best suited for the local needs?

We work with a combination of data and direct ground contact with physicians and patients. We are very active in these kinds of activities since they result in the best possible insights. Understanding the market is really important, knowing its limitations and dynamism, especially in emerging markets, to shape your product offering.

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As we are still in the inception stage of our operations in Indonesia, we are now focused on female healthcare. As such, women’s health is positively developing in Indonesia but obviously; there is still a long way to go.

Currently, we only have oral contraceptives in Indonesia but we have many different products that target every stage of the female life cycle. My objective is to position Exeltis as a partner for women during their life journey.

Ultimately however, we also want to make a name for ourselves in metabolism and oncology by introducing certain biosimilar products that are developed at the corporate level.

What actions are you putting in place in order to develop women's health in Indonesia?

We participate in several medical education activities such as symposiums and workshops in which we target doctors as well as midwives, where we introduce our offering to them. In this sense, we are strongly engaged with gynecology associations. We are approaching all levels of healthcare professionals.

In addition, we are now starting to develop some education initiatives more directly targeted at patients. We are working with digital platforms to find new ways to have more direct contact with patients around disease awareness.

Given this commitment to medical education, what is the brand perception of Exeltis from local healthcare practitioners and KOLs?

As we are still the 'new kids on the block', healthcare professionals are not yet fully aware of our many product pipelines and the kinds of contribution that Exeltis can make. However, we have been advancing to this end, as we have encountered an openness to try new things, look at our products and understand the benefits they can bring to patients.

What does innovation mean to Exeltis here in Indonesia?

Innovation can be applied in not only product development but also operational disruption. Innovation here is about finding new, creative ways to gain agility. One of our main concerns in Indonesia is to find better ways to reach our customers. This type of innovation helps us to quickly adapt our activities to the market dynamics and, ultimately, reach our patients better.

What role do you see Exeltis playing in the Indonesian healthcare system of the future?

We are trying to position Exeltis as a great partner to the government. We are continuously assessing the government's needs to subsequently find the best way to serve JKN. Our current footprint within JKN is through metabolic medicines. We currently have 20 percent of our business in the public side but we are eager to participate more. Thus, we have to find the best way to participate with a sustainable model that allows affordable access to our products but also profitability.

What excites you most working for Exeltis?

I feel really attracted about the entrepreneurship flair at Exeltis. Even though Exeltis has a more established footprint in other markets, it is fairly new in Indonesia.

Therefore, you feel like working in a start up with a sound financial support from HQ. I feel that I can strongly contribute in such an environment, which one of my daily main motivations!

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