Interview: David Torres – General Manager, NAOS Colombia



"In recent years, we have consistently experienced two-digit growth rates."

17.08.2017

Tags: Colombia, NAOS, Skincare, Dermatology, Regulatory Reform

David Torres, general manager of NAOS Colombia, one of the country's most innovative firms, discusses the inherent challenges in the skincare industry and the specificities of the Colombian market, while highlighting the importance of institutional collaboration to raise skin-related issues and the affiliate's priorities to further expand its footprint in the country.

Dermo-cosmetics represent 4.4 percent of the global healthcare market. How important is this market in Colombia?

Reliable information is always hard to get. We repeatedly see differences between the official numbers and our calculations. Based on IMS information you would expect the dermo-cosmetic market to be USD 85M. From my experience, the actual market is double of that if not closer to USD 200M. The differences can be attributed to the numerous players within the market and the wide variety of products within the category. Retail stores and specialist skincare stores only account for a part of the market.

Is the Colombian cosmetics market still growing?

In recent years, we have consistently experienced two-digit growth rates. As a result of the Colombian inflation, this was the first year in which we witnessed a contraction of the market. I must add that this is not industry specific and it has affected all sectors in the economy. Nonetheless, we expect the health care market to grow again next year.

The Colombian market is divided between retailers and skincare stores and is quite balanced. More than a hundred clients develop the market in Colombia, and there are more than 50 dermo cosmetics laboratories currently in the market, working on both international and national brands.

What do you identify as the main characteristics and challenges in this market?

The most important market is sun protector, followed by skin moisturizers and acne treatments. Women still represent a large majority of the consumers in that area, but the purchasing patents are evolving.

In terms of challenges, we used to have no trouble finding new clients, both international and domestic. Over 50 laboratories are developing products for Colombia. While they might focus their efforts in different areas, there now are a multitude of options for the consumer.

How would you describe the regulatory framework for cosmetics products in Colombia?

INVIMA (Instituto Nacional de Vigilancia de Medicamentos) is doing a good job. Naturally, the government does not yet have the tools to control everything and I am concerned that certain products are not fully compliant with quality standards. Ensuring that the product is compliant increases production costs and therefore the price because of the complexity of the ingredients it contains. While INVIMA does a good job controlling a large number of laboratories.

Because of climate and diet, our region is most affected by skin cancer and skin problems such as acne. It is of paramount importance that we raise awareness. I think the government should work on prevention campaigns, or support similar corporate initiatives to better prevent skin cancer. NAOS launched a prevention campaign aimed at children called *“I am Photo Responsible”*. The main message we wanted to get across was to use good quality sun protection, regardless the brand. Eventually, I would like to see Colombia adopt similar regulations such as the FDA or the COLIPA (The European Cosmetic & Perfumery Organization) to improve the effectiveness of the products on the market.

[Featured_in]

With regards to the prevention campaigns, how would you describe your relationship with the Colombian government?

We are in a contractual relationship, where they legalize our products and provide documents so that we can register our products and gain approval for market launches.

It would be beneficial for INVIMA and the Health Ministry to organise price regulation and make sure that all products are compliant in the dermo-cosmetics sector. They have to stregthen the regulations and bring the standards up to the levels of the FDA and COLIPA.

What do you see as your main responsibility as General Manager of NAOS Colombia?

The Colombian climate is largely responsible for skin related problems. For this reason, it is crucial that Colombians take proper care of their skin. As a company in Colombia, our mission is to educate the public as well as dermatologists.

The method for this is cleaning, treating and protecting. This is the basic program for getting healthy skin. Protection is key. Though many anti-aging products exist, the best anti-aging method is to protect your skin from the sun’s rays.

You have two main lines in Colombia: Bioderma and Institut Esthedrm. Which one is your growth driver?

Bioderma is undoubtedly the most popular in Colombia. It represents, USD 7M annually and is growing year-on-year.

How would you characterise the spirit of the brand?

Biology and innovation are at the core of our spirit. We strive to offer our consumers products based on biology and innovation. This enables us to continue growing faster than our competitors and to be ranked sixth in Europe and third in France. We are proud of the fact all our raw materials are derived from biology and therefore natural. Of course, certain chemicals can be required for specific products, but we do not intend to chemically reproduce something that already exists within nature. More specifically Bioderma’s slogan “Biology at the service of Dermatology” represents our attention to this point. In terms of innovation we’ve developed more than 80 patents. The most important innovation in Colombia is Sensibio H2O, the first micellar water in the world. With this innovation, we focused on how to clean the skin without damaging it. It would be dangerous to clean the skin with alcohol or any similar product. Indeed, the consequences for the user could be negative.

[related_story]

Despite NAOS being a very young company, it is already present in 80 countries. How important is Colombia to the company?

After Brazil and Mexico, Colombia is the third most important country for NAOS in the region. We work with 100 companies, of which 40 are affiliates. Within Naos globally, Colombia is one of the top 25 most important countries in the sector. We are, the fourth market for the cosmetics category in the region.

What are your main priorities moving forward?

Our priority is promoting skincare education. This is both our mission, and our principal purpose. We keep this in mind in the commercialization process of every single product. We also prioritize the direct relationship with doctors presenting the advantages of our products.

What do you think makes NAOS so special?

Our strength is our people and they are the heart of our operations. We are proud of their NAOS spirit.

See more interviews