

Interview: Barbara Fritsche-Surchat - General Manager, Servier, Austria



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Barbara Fritsche-Surchat, general manager of Servier Austria, a leading innovative French company looking to bolster its global oncology presence, provides an in-depth analysis of the balancing act between pricing and market access in the Austrian healthcare system as well as how the company's global oncology vision has influenced Austrian operations. Equally, she provides insight into how the company's partnership strategy has trickled down to the domestic affiliate and what are the plans for Servier Austria moving forward.

You have a long history at Servier working in various positions and nations. How does it make you feel as an Austrian to be back in Austria, this time as the general manager?

Professionally, I have moved around the world with Servier - notably - Paris in a global marketing position and also Zurich in a similar position as well as various other roles all over Europe. I was approached four years ago to take over the Austrian general manager role. Truthfully, it is a fantastic feeling and a great honor to be here, furthermore, I am extremely grateful as I would not be here if not for the excellent people I have worked with in the past, and still do within my exciting and ambitious Austrian team. My past as a pharmacist as well as my PhD in basic research and DNA repair, is a time I look back on fondly and has really prepared me for my time at Servier, especially since the company has recently been focusing heavily in oncology.

How has Servier evolved during your time in Austria?

Servier globally in the past based itself around a single major cardiovascular product, Conversyl®, which contributed to around 90 percent of the company's commercial success – although – this was not the case in Austria as the product was never reimbursed due to pricing reasons. Therefore, we had to face the challenge of navigating the local market without this blockbuster, and we did so quite well. At that time, we launched Daflon®, used to treat patient with blood vessel condition, which today is the sixth most sold product in Austria and equally we launched the second most sold hypertension drug in Austria currently.

At present, there are three pillars that shape Servier's operations; current business, oncology and over the counter (OTC) drugs, which is a drastic change to a few years back where we were based solely at the GP level. Servier is investing strongly into R&D and a multitude of products have come from our own research, especially important as many of our drugs are soon to come off patent. Moreover, the real game changing moves for Servier have been in the field of oncology and only a few years ago in Austria we launched Lonsurf® to treat and extend the life of colorectal cancer patients. Thus far it has been a really big hit, more than doubling the sales of our competitors in the same field.

Looking in more depth at Austria, we have the best turnover per capita among Servier affiliates, and have really shown our global headquarters there are great opportunities here if the right strategic moves are made. Today we are one of the first nations to be given the greenlight to launch Servier's oncology treatments and also are one of the first steps in the process for the launch of OTC products. All in all, we are really on the way up and have a positive future.

In Austria, like many developed markets, there is a challenge in establishing market share while maintaining a commercially viable price. How do you effectively find a balance between these two important factors?

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There are always two sides of the story; on one hand, there are the patients who require what you offer to ensure they are healthy – on the other hand – as a company we need to generate revenues to remain a sustainable business. Both factors are inevitably always interconnected. In terms of reimbursement, the law amendments implemented in April this year are a step back and has put us in line with the less affluent eastern European companies in terms of pricing. The reimbursement authorities would like to pay significantly less while receiving the gold standard in care. Finding the bridge between pricing and market share is a concern, and really from a bird eyes perspective, results in the patients suffering in the end.

How have you navigated this challenge?

We have been very open to dialogue with the responsible parties to find the correct balance, as we know we provide a service that is beneficial for patients and their families, and thus far doctors have been a really strong ally of our approach as they understand the overall dynamics. The circumstances always take a wrong turn when negotiations with the reimbursement authorities requiring us to lower prices below Servier headquarter expectations. These authorities are comparing our pricing evaluation against many eastern European countries, without fully acknowledging Austria is a more affluent nation. It is a real wrestling match each time we negotiate and hopefully this can be changed in the future and our discussions can positively evolve.

What must be done to move in the right direction and attract further innovation in Austria?

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I think we are lucky in Austria that medical professionals and the Austrian population are very open to a direct approach of communication about innovation. They really want to see only the most innovative drugs enter the Austrian market. This is clearly evident as currently in Austria there are over 500 ongoing clinical trials, and each year more than 6000 patients are involved in oncology trials, a massive number. This is paid for by the pharmaceutical industry, a factor neglected by the reimbursement authorities.

I can proudly say that Servier in Austria is taking part in oncology clinical research. Being a small country to lure the eyes of company headquarters can sometimes not be easy, but it is a credit to the continued efforts of my team we have achieved this. Austrian patients have equally been very helpful when taking part in the trials, and this, coupled with well-trained Austrian clinical research academia, will hopefully continually attract interesting projects to Austria. All in all, this will result in a victory for Austrian patients.

How does Servier differentiate itself in the dense oncology market, dominated by companies that have a long history in such a field?

Products and people! These are the two overriding assists that make Servier a company with a positive and sustainable future and our extensive pipeline is full of interesting and life-changing products that will really make a difference. Commercially, we have the best staff you can find that are fully committed not just to Servier, but more importantly the patients. In Austria, we consist of a 50-person workforce; 50 percent in sales, 50 percent in administration. Our focus is to interact

heavily at the GP level, and now with the change of company focus, have a specialist team in the oncology sector.

Oncology is the chief driver for us going forward, but we still must take part in our older portfolio which is a major part of a revenue. We have a fantastic product that is co-developed with Novartis, that will catalyze a revolution in leukemia treatment. It is truly an exciting time to be part of Servier!

Servier throughout Europe has partnered with many large players, such as Novartis, Amgen and Pfizer. How has this trickled down to the local Austrian affiliate level?

Austria geographically is a small country – saying that – at the affiliate level we profit by the many collaborations established by headquarters. For example, Lonsurf® is a partnership with Taiho pharmaceuticals, with the product being licensed out to Servier; a global decision trickling down to Austria's operations. Speaking more locally, we have connected with two local companies to develop products; therefore, we are excited to model this partnership strategy at a domestic level.

How can you further attract the glare of headquarters and promote further investment into Austrian operations?

Thus far it has been difficult, but somewhat easy at the same time. We already have demonstrated our domestic success with Lonsurf®, and we have an established connection with the wider European network, allowing us to connect with our peers and key opinion leaders at an oncology level. These long-term relationships, along with the quality team we have nurtured, has driven the positive perception of Austria towards headquarters. This openness, and the fact Austria is centralized in Vienna, allows rapid processes to take place, differentiates us and hopefully will see us be dually rewarded in the upcoming years.

What have you learnt during your time at Servier over all these years?

Flexibility! One must remain flexible towards your team and hierarchy at all times so you can stimulate a harmonious and creative environment. Furthermore, I have always remained tenacious in my approach and have been solution orientated. Above all, throughout my time I have bared in my mind that I must deliver on my promises and lead from the front, and with this approach I see a positive future for Servier Austria.

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