Interview: Wendy Adams – General Manager, Galderma Canada



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Wendy Adams, general manager of Galderma Canada, outlines the main achievements of the affiliate since 2013, the best practices she can share with Galderma globally when it comes to managing the company's three business segments, the strong relationships with dermatologists and other healthcare practitioners she has built, and the significance of Galderma's mission to change the way people view skin health.

Wendy, having met you in 2013, what have been some highlights for Galderma Canada over the past four years?

I am very pleased to say that it has been a great four years for Galderma Canada. We have seen accelerated performance, with double-digit growth across our three business segments, outperforming the Canadian market consistently for the past six years. Having previously been active in the prescription and consumer health areas, in 2014, we acquired our Aesthetics and Correctives business.

Eighty percent of our growth has been driven by new product launches, including line extensions, across all three businesses. In the Aesthetic and Corrective business, we have launched two full lines, the Restylane® line, as well as the integration of the Emervel® Collection. Overall, we have achieved our high growth in spite of Canada's challenging market access environment.

Our growth is one of the highest among all Galderma affiliates, so we do receive a lot of attention at the global level as an example of a well-managed affiliate. I am very lucky to be supported by Galderma's strong pipeline as well as a great team here in Canada.

With such a track record of success, what best practices can Galderma Canada share with other affiliates?

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First and foremost, Galderma is a science-based company. Our products are backed by strong clinical studies testifying to their safety and efficacy, which certainly makes it easier for us to enter doctors' offices with our products.

We focus on constantly bringing science-based evidence and more innovative solutions, particularly in the areas where we are market leaders. For instance, we are the market leader in rosacea here in Canada, so we really push ourselves to bring new therapies to market, such as the three products we have for treatment of rosacea symptoms on the face. As market leader with a real commitment to skin health, we are driven to find innovative solutions for people with skin health needs.

As an affiliate, we also stress executional excellence. There are occasions when companies develop strategies that look good on paper but may not always be available to materialize at market level. Having a strong team and being able to do the local research to adapt strategy to market needs is critical.

With our diversified portfolio across the three business areas, Galderma has prescription drugs, aesthetic and corrective options, as well as our consumer over the counter (OTC) products through the Cetaphil® line, which allow us to reach patients and consumers not just in terms of treatments but also to contribute to skin health overall. Not all of our competitors can support this within their own businesses.

We have a real passion for our purpose to serve skin health and we continue to look for best practices we can bring into Galderma Canada, in the area of dermatology as well as how we run the business.

What synergies can Galderma exploit across the three businesses?

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As I mentioned, we have a very nice product portfolio across these areas, and we basically launch a new product every year. Some years, we launch new products in all three businesses! Within the OTC space, market launches are quicker, which means we can renovate that portfolio more often. For instance, Cetaphil® is celebrating 70 years of healthy looking skin in 2017 and we recently created a new look for the line to enhance its appeal on retail shelves. In the past few years, we launched Cetaphil® Baby as well. What is fortunate is that Cetaphil® has such a loyal following that we have been able to maintain our presence within this space more easily than up-and-comers.

On the prescription side, the timelines are longer. Market access is the biggest challenge, so we have to make tough decisions. For instance, we may not always list all of our products on public formularies. We also have to find creative ways to help the public systems manage the cost of drugs, while balancing the investment it takes to bring products to market. Ultimately, we are all in it for the patients and ensuring patients have access to our products also means having to share the burden of cost in most markets.

Overall, we are applying some good learnings across the three businesses. I like to use the analogy of a mutual fund. The idea is to balance the risks across the three business areas, without being overly invested in any single one. We occupy quite a good position between our cash-pay business, reimbursement business, and the Cetaphil line in the OTC consumer business – all within the skin health area, of course.

More broadly speaking, could you outline some of the main characteristics of the dermatology market in Canada?

In general, it is a fairly homogenous market as a result of its small size. It is also quite a mature market so growth is not phenomenal. We are looking at perhaps two to three percent in the Rx market and rather flat growth in the consumer segment.

The aesthetics business, on the other hand, is seeing 6 to 8 percent growth, which is very encouraging. The market here is still relatively new and rather underdeveloped, and consumers are very interested in this area. We have also not even begun to tap into the male market yet.

Systemics and biologics are also areas of great potential in Canada, and we will soon enter into this area.

On the consumer side, a challenge is the influx of private labels entering the market and taking up shelf space, similar to the trends we see in Europe and in the U.S. An area where Canada is more

like Europe than the U.S. is in terms of the multi-language business environment we have here.

Canada’s geography also affects our business strategy. It is not uncommon for companies to have 13 or 14 strategies catering to individual health systems.

We have heard that Canadian scientists and academics punch above their weight on the global stage. How much does this apply in the dermatology space?

I have always said that Canada exports brains. We have great researchers, key opinion leaders (KOLs), and clinical practice expertise that we can bring out of Canada, both on the Rx side and the aesthetics side. American colleagues come to Canada for conferences and expertise-sharing, for instance, so we hold a lot of leverage in North America. I would say we have really brought the industry to life in Canada. It is terrific that a small market like Canada is able to do this.

This is something that Canadian general managers need to champion globally. We need to ask ourselves: what can we offer in the long run, especially as the R&D environment in Canada continues to be challenging and our market size remains small? In dermatology, our expertise and experience will not disappear. We need to promote Canada’s excellence and strengths more within our global networks.

Another example where Canada is punching above its weight is with KOLs. We do have several Canadian KOLs on the international stage who are very well-regarded with strong research backgrounds in the prescription arena, as well as Canadian KOLs within the aesthetics side as well.

How important is it for Galderma Canada to establish and maintain good relationships with healthcare practitioners and patient associations?

Dermatology is such a great business to be in precisely because of our proximity to dermatologists. Perhaps contrary to the general industry trend, they tend to remain very open to industry. This is important because when I joined the company 22 years ago, there were around 500 dermatologists across Canada, and today, that number has not changed. The number of dermatologists per capita has decreased over the past two decades. As a small group, they rely on industry to support them in many areas.

Dermatologists sometimes find it challenging to maintain extensive contact with patients to oversee the entire care journey because of the way the system remunerates them. This is where a more collaborative approach to patient care becomes important. Family doctors, pharmacists and nurses also have a role to play. At the same time, unless someone chooses dermatology as his or her medical specialty at university, only three hours are dedicated to skin health, which is entirely

insufficient.

As a part of Nestlé Skin Health, Galderma's vision is to change the way the world thinks about skin health. Skin health makes such a huge difference to our daily lives and it is often overlooked. It's not even in the top ten disease areas as ranked by QuintilesIMS! But think about how something as simple and seemingly superficial as acne can affect someone's psychology, self-esteem and quality of life. The same can be said for rosacea. Looking ahead, imagine if we could stop the itch of eczema as opposed to just managing it!

We see training and education – of both healthcare practitioners and patients – as a critical element of our skin health mission. For instance, patients and consumers are increasingly seeking more information and we hope to be able to provide trusted and reliable information through new channels like social media and digital platforms. It is not about encroaching into doctors' territories but enabling them to enter into partnerships with patients and creating more positive experiences for both.

What do you see as some of the key elements in creating the fruitful partnerships you describe?

If you draw the Venn diagram of healthcare stakeholders, you will find that the patient is always in the center. If a patient is not treated by the family doctor, they visit a dermatologist. If the dermatologist is not available, the pharmacist has to triage them in the interim. The patient never goes away unless she or he is properly treated!

As a patient, if there is something wrong with me, I am really counting on doctors and pharma companies to restore my health. This is what our journey is about; proactively treating patients, which ultimately contributes to the sustainability of the healthcare system. Patients are really counting on us, so we have to play our part.

This journey is not always easy and as a business, we have to keep our commercial elements in mind, but ultimately, commercial success comes from great patient outcomes.

Galderma also manufactures in Canada and the facility is actually the largest within the global Galderma network. What is the significance of this?

While manufacturing does not report into the commercial affiliate here, we are very proud that our Baie-D'Urfé site near Montreal produces the most products for Galderma globally. We have invested heavily in terms of capital and new technologies, which gives us a big competitive edge. The cost-competitiveness of Canada compared to the US is another advantage but this obviously

fluctuates with the exchange rate. There is great knowledge and people in that facility, we always pass our Health Canada audits, and we are proud that we can produce FDA-certified products here.

There is also a little added edge to being able to brand our products as ‘made in Canada.’ Much of our Cetaphil® line is produced in Canada, as are our Rx acne products. On the OTC side specifically, we have also made this a feature point in some online promotion campaigns. We are very proud of our manufacturing footprint in Canada.

Operating in such diverse areas and with such a large portfolio, how would you like the Galderma brand to be perceived?

Even if we are not the largest company in this space, we are often perceived as a leader. Our journey is really to get the world to think differently about dermatology and skin health. We have great innovative medicines, we are driving the science and R&D in this area, and we look to be distinctively different and disruptive while remaining patient-centric.

To begin wrapping up, many general managers of multinational pharma companies often see Canada as a stepping stone market, with very few actually staying in Canada. Having been with Galderma for over two decades and GM for one, what unique insights have you gained?

I am lucky to have been able to see Galderma Canada thrive over the past ten years, with increased product launches, movement into the new aesthetics business, and double-digit growth across our businesses. I think being French-speaking is another asset that gives you a leg up in the Canadian market.

The stability also helps with the Canadian market. As I mentioned, dermatologists are a small and tight-knit group here, and they tend to want to get to know people well. While the executive flow-through may work in other therapeutic areas, having the familiarity and thorough understanding of the Canadian dermatology landscape, and really knowing the stakeholders you speak to, are really important elements. I never get tired of this part of the job. For a newcomer as well, getting used to the 13 provinces and territories can be a challenge.

That said, it is also important to keep things fresh because the industry is always evolving. This is partly through, as I explained, taking a mutual funds approach to our businesses here, as well as speaking to Canadian dermatologists and getting their insights on the science and innovations driving the industry.

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