Interview: Predrag Lukic – General Manager Serbia, Regional Director Montenegro, Macedonia, Bosnia and Herzegovina, Kosovo, Amicus



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09.01.2018

Tags: Serbia, Amicus, Pharma, Service Provider, Balkans, Investment, Strategy

Predrag Lukic, general manager of Amicus, a new and exciting bridging service for MNCs looking to expand into Serbia and the Balkans, reveals the keys to accessing the region and how best to take advantage of the professional talent pool in Serbia. Through careful study of the market and by understanding the dynamics of the Serbian economy, Amicus has grown exponentially in the past three years.

Please introduce yourself and explain Amicus's operations in Serbia.

Following my education in pharma, I had my first formal role as a pharmaceutical rep in 2001. Beginning my career as a pharmaceutical sales rep is now beneficial to me in understanding the needs of the people that comprise my team.

I soon took up a role as product manager for cardiology, representing portfolios of multinational companies. From the beginning, I had always had an interest in innovative therapies and have enjoyed various positions in sales and marketing before the General Manager role that I accepted at Amicus in 2014.

I accepted the invitation to join the Amicus 'start-up' because when we observed the current situation in Serbia and indeed, across the region, we realized that there are huge opportunities and

gaps in the market. During the formation of the company, questions we asked ourselves were ‘what type of company would be best equipped to improve the offering in Serbia?’, ‘how do we approach a territory that is somewhat fragmented?’ and ‘what innovative therapies would suit patients’ needs here?’. In summary, our goal was to design a company that would be able to replace the hole left by MNCs and bridge MNC operations in the Balkans.

We, therefore, needed to have a reliable sales and marketing team and to develop all functions of an MNCs – in such a way, we mirror their activities but on a more local scale. In essence, current trends dictate that there is a vast number of innovative companies and we look to provide what these innovative enterprises lack. With the correct structure and using local expertise, we can create a business prosperous enough to catch the eye of big MNCs, which, in turn, creates international partnerships. When you look at the size of the ex-Yugoslavian countries – where we seek to establish ourselves – then you see the potential to grow: there are over 20 million inhabitants and developing economies in each region.

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Our latest milestone is signing a contract and building a relationship with Amgen, an instrumental partner to work with considering their fantastic pipeline. We will pool resources and take note of our stakeholders’ views to provide the best care possible.

Amicus is designed to replace MNCs or partner with MNCs who wish to enter this market, or partner with companies that wish to leave these markets; we are the bridge to MNC partnerships and cooperation.

Why start in the Balkans?

Well, a lot of it derives from what we refer to as the BMS (Bristol-Myers Squibb) relics – because BMS was one of our first partners. Immediately after our foundation as Amicus, we sought to find new partners in the region through the expertise of our local healthcare professionals on the ground. We are of course only three years old, and we are already targeting the Balkans, the Baltics and new markets such as Hungary, Romania, and Bulgaria, hence increasing our geographical footprint. We’re now at over 16 contacts with whom we intend to build partnership.

How do you intend to further your relationships?

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Firstly, you must consolidate the existing partnerships that you manage. Amicus has over 100 employees in Serbia (in three years of operations!), and as such is acting as a business hub for the West Balkans. That said, we have representative offices, sales reps and marketing teams in the field in each country so that we can supply hospitals and pharmacies efficiently. With the help of these dedicated and ambitious people, we have managed to build upon existing partnerships and develop and prospect new associates.

Over the past three years, we've enjoyed some fantastic milestones. Our partners are more than satisfied with our services, and the proof is in the results of the organization. However, it is not just good sales that reflects a good partnership; and we do not look to portray ourselves as pure wholesalers; the whole organization distinguishes itself from other partners due to its systematic approach to multi-national matters.

Compliance is an essential facet of our organization. We need to put in place the necessary defense and protection to ensure our patients receive the utmost care. Our partners recognize our high-quality regulatory services, and again this is shown in our sales. Our turnover in Serbia this year was 15 million euros (18 million USD), and our total turnover is 40 million Euros (47 million USD): our target next year is 60 million Euro in existing territories with new products' portfolios as the main driver of growth.

Healthcare authorities are also more open to exploring innovating therapies and solutions, and so we can expect an even more promising result next year.

What challenges do you face when representing the company?

Let's look at innovative medicines first. Here, the principal challenge is inadequacies in the healthcare sectors specific to individual countries. For example, in this region, the healthcare spending can be meager, as low as 80USD per capita! We at Amicus have to find ways around this to ensure that, patients receive excellent care – through providing that we time the introduction of correctly researched products that we bring to the market. Our partners and ourselves share the same goal: to provide the best healthcare in the current circumstances.

Will you consider your own line of products?

This is the direction we would like to head in the future. It is a meticulous process, and when analyzing the market, we appreciate that there are opportunities in specific niches that we could provide for with our brands. It is not a must in our view, but we are in the business development stage so that in the next two to three years we hope to bring a new line of products to the market.

We are well aware that to bring these products to market, we need the necessary structural organization in place: good management networks and an educated workforce. Commentators sometimes question why Amicus employs such a large number of people, but without this scale, the powerful multinationals will not consider us. Further, we have a large team and salesforce that will welcome the new opportunities for our new products. Without this, we are not the partner of choice.

How has the market evolved in Serbia over recent years?

My experience in the past ten years has seen generic companies enter the market. Consequently, that part of the market has become more competitive. If you were to go back five or so years, themes like protectionism and domestic production rang true. Manufacturers and EU entry are now starting to affect the market and combine within this feature are competitive pricing strategies from big producers.

We are still at the beginning of our partnership acquisition and have recognized that the market is stable – even promising. There is space for more new products to enter the market here in Serbia allowing for even more considerable growth in the region.

What characterizes Serbia as an exciting investment destination?

First off, the market is underdeveloped therefore there is room for opportunity. Despite that we have a low priced pharmaceutical market, (primarily due to weak purchasing power amongst the people and pharma spending overall), with new therapeutic treatments and a growing private sector we see the number of medical procedures increasing which boosts overall growth. It is an exciting investment destination and easy to see why recently, investors look so fondly at the region.

What advice would you give to business people looking to enter the Serbian market?

Well, it is a system, and so you need to understand the system from its roots upwards. Thirty years ago it was possible to enter the market and sell things – nowadays merely, you need to be systematic and pragmatic in your approach to ensure the offering you produce or sell matches market needs. Each segment of the business needs to be well thought-out and structured.

What has been your proudest achievement of your career so far?

Three years ago it was hard to explain to people why we wanted to open Amicus. I was the first employee in Amicus, and I managed to hire 30 very experienced people from various MNCs,

despite not necessarily having better financial benefits. And I succeeded in building a fantastic team of which I am very proud.

In fact, upon reflection, it is the team at Amicus that best reflects how we will break into new markets and the aspect of my work here of which I am proudest. They have substantial knowledge, an ethical approach, and are a winning combination of youthful energy and professional expertise.

When I look back at the past four years, I realize we are a service provider with multinational standards that having strived to sign our first two partnerships, have lined up the following ten to fifteen confidently; the floodgates opened and the business is evolving at a terrific rate. We offer secure and straightforward business models to companies in the product territories where we are now (and where we intend to be), and our modus operandi works.

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