Interview: Barry Fishman – CEO, ABcann Global Corporation, Canada



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After 35 years in the pharmaceutical industry, Barry Fishman shares his excitement about heading one of Canada's leading licensed cannabis producers. He explains how his experience in the world of pharma helps him to steer ABcann towards global expansion and emphasizes the importance of product development in both adult-use and medical cannabis.

Barry, when we met in 2013 on behalf of Teva, you were advocating for higher generic penetration in Canada. Five years later, how have you come to support cannabis-based medicine?

I have a career that spans 35 years in the pharmaceutical industry. It was a fascinating journey and when I finally exited my last organization, I decided that the medical cannabis space was a once-in-a-lifetime opportunity. I had some experience at the board level of several publicly-traded cannabis companies, I enjoyed the industry, and was excited about the potential I saw. Thus, I seized the opportunity to run a licensed producer in Canada (that was a newly listed public company) and move towards shaping it into a profitable global organization.

How have the first six months in office as head of ABcann been for you?

The initial priority was to evaluate the organization, sharpen the strategy and look at selective global opportunities. Within the last months, we have really transformed the organization. We have solidified our strategic outlook, strengthened the team and our board.

Through the addition of new talent with backgrounds in the beverage alcohol, pharmaceutical and agriculture industries we have strengthened our leadership team. Our team is now much more engaged, and we are excited about the future.

One strategic move we made shortly after I joined was to acquire Harvest Medicine. Founded only a year ago, this medical cannabis clinic has over 10,000 patients registered in a single location in Calgary. We identified a proven, scalable model in Harvest Medicine and are now in the process of expanding it to four additional locations over the next 12 months.

What precisely is laid out for the year 2018 at ABcann?

We will be pursuing the strategy to become a niche player, picking those spots where we are able to differentiate, and win in the market, while ensuring we maintain a sustainable competitive advantage. As part of our strategy, we have laid out three key priorities:

Firstly, we are in the process of expanding our capacity by integrating a new plant to our flagship cultivation facility in Napanee, Ontario. By the end of 2019, we will reach a total production capacity of over 30,000 kilos of output annually over the next two years, and plan to supplement our internal capability by purchasing from strategic partners.

Secondly, we will enhance our demand generation capabilities, supported by a complete rebranding which will result in a new company name, refreshed medical brand and at least one new adult-use brand. We aim for a compelling, fresh set of brands that we hope to roll out by mid-2018.

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Our third priority revolves around product development. Coming from the pharma world, I have been involved in product development for over two decades, and I think that the cannabis industry certainly has room for the innovators to spend time and money to create new novel delivery devices, formulations and strains. The cannabis industry in Canada is at the brink of ground-breaking development and exponential growth. At ABcann, we plan to leverage our know-how in product development to bring new products that satisfy not only patient needs but also appeal to the future adult-use market. The opportunity to be innovative is also one of the most exciting features of the cannabis industry to me personally.

What will be the next steps for ABcann in terms of product development?

Our emphasis at ABcann is on premium quality products, something we can ensure through our precise cultivation technique and sophisticated monitoring systems. We have a category-exclusive relationship with the University of Guelph (the leading agriculture school in Canada) and our high-tech growing processes and systems that master the difficult task of product standardization. We have proven that we know how to cultivate quality products under tight controls. Through our R&D laboratory in Napanee and other strategic partnerships we plan to develop novel products that provide a competitive advantage.

We also foster relationships with innovative companies all around the world, with whom we will collaborate on the development of novel delivery devices such as patches, inhalers or combination products. We believe in the potential these efforts hold and are allocating the required resources to take the company to the next level.

Our current focus is on oils and we hope to have our first launch with three different oil formulations in mid-2018. This launch will be our first foothold in the extracted products field that we then plan to expand our product line to include softgels, patches, inhalers and topical products, once permitted by the regulatory bodies.

We want to make sure that we cater to both market segments (medical and adult-use), assuring reliable supply on the medical side but also looking at ways to innovate in the adult-use market where we plan to launch a diverse line including premium oils and eventually a line of edible and drinkable cannabis products.

How will you ensure that ABcann will remain ahead of competition in the future?

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ABcann’s vision is to be a profitable niche player in the global cannabis industry. We are very focused on improving yields and increasing our operational effectiveness to ensure our costs stay competitive. Our product development efforts are expected to result in novel products and will differentiate ABcann from the competition and satisfy unmet customer needs.

We strive to be more than experts in the cultivation of cannabis. Our strategy has us moving up the value chain in order to expand our expertise to extraction, formulation, packaging and branding. This complete set of capabilities will put us at the forefront of the cannabis industry in Canada and create a strong foothold to expand globally.

What will be the cornerstones of your strategy in aiming for 50 percent of revenues to be generated by international business by 2021?

We are focusing our international efforts on Australia, where we hope to sell products to within this year and in Germany, where we are looking at a one-year timeline for product sales. In Israel, we focus on strategic partnerships, as the country is very advanced in cannabis research and product development.

As the German market matures, we see it as our foothold to reach the broader European community. Australia is expected to become more accessible as the market matures. For now, Australia distributes medical cannabis under a special access program. However, this is likely to change and the market is expected to evolve to reach about two thirds of the Canadian medical cannabis market in the near term.

ABcann wants to be a top 5 player and reach about CAD 500 million (USD 385.5 million) in revenue in five years. What will be your key priorities in pursuing these goals?

Our first priority is to build the strongest and most entrepreneurial team in the industry. We have an outstanding board of directors and world-class scientific advisory board. We have also recruited amazing talent from relevant industries such as pharmaceuticals, alcohol beverages and agriculture. Next, we will focus on building the right internal competencies and strategic partnerships. We are very proud of ABcann’s ability to cultivate high quality products. We are currently focusing on building additional core competencies in areas like consumer marketing and promotion, production abilities outside of cultivation and corporate business development.

Lastly, we will focus on increasing our capacity and production capabilities. We have raised over CAD 100 million (USD 77 million) in capital over the last five months and are in a strong position to execute our growth strategy.

How is it different in terms of management to lead a medical cannabis company versus a pharmaceutical company?

The medical cannabis industry is much faster paced than the traditional pharmaceutical industry. Every day is different and we must be nimble to adapt to this ever-changing market.

The people I interact with at ABcann also bring a more intense energy level than in my previous experiences. There is a strong entrepreneurial spirit throughout the organization. Our team does not wait for things to happen, they make things happen! They are fully engaged in the business and are passionate about our vision. When I first joined ABcann, I was worried whether it would be difficult to recruit people from other industries. However, the medical cannabis industry is so fast growing and exciting, that we receive daily inquiries from people who want to know more about

joining the cannabis industry.

Do you have a final message for the readers of PharmaBoardroom?

In my long career, this is one of the most exciting times for me. I am part of building a great company, with a great team, in a great industry. As a former pharmaceutical executive, I found an interesting way to reinvent myself, and to keep learning and growing. While others my age are slowing down, I am speeding up, with the goal to leverage on the great learnings from my pharmaceutical career to a fascinating new industry.

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