Interview: Pablo Ledesma del Pozo – Managing Director, PharmaBrand, Ecuador



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Pablo Ledesma del Pozo, managing director at PharmaBrand, discusses the company's ambition to equal the business model of a multinational companies in the foreseeable future by commercializing their products as well as opening fully-integrated affiliates in neighboring countries, such as Chile, Peru, Bolivia and Central American countries.

Pablo, you have an extensive pharma career in international multinational companies. What led you to pursue this leadership position at Pharmabrand in 2011?

I have worked in probably the biggest pharmaceutical companies in the world, namely Pfizer and MSD, and I decided to change course when I realized that the situation in the Ecuadorian pharmaceutical market was changing radically. Since we dollarized the economy, there has been social and political turbulence in Ecuador which, nevertheless, resulted in stability right now. As a matter of fact, Latin American countries are well known for being unpredictable and unstable places to set up shop and while MNCs have the tendency to stay away from smaller markets like Ecuador, they focus their energies towards largest markets such as Brazil or Mexico.

We started our journey in Ecuador with the acquisition of the pharmaceutical plant of Schering Plough in 2000. Today, PharmaBrand is an Ecuadorian pharmaceutical laboratory with international projections, engaged in the production, drug research, commercialization and innovation for health. PharmaBrand is a company committed to the development and welfare of society, promotes

projects linked to the most vulnerable sector of society.

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Six years down the line, what has been your proudest achievement?

We have structured PharmaBrand in a way that is as similar as possible to an MNC. While we produce branded generic drugs, our business model resembles that of multinational pharmaceutical companies and so does the quality of our products. I am talking about our internal policies, the way we reach out to stakeholders, our outstanding infrastructure and our people development.

Can you give us an overview of Pharmabrand's operations in Ecuador today?

We have three divisions, two in the private sector pharma and OTC and one in the institutional market. Our mission is to continuously develop new products that fit the Ecuadorian health needs as well as to strengthen the pharmaceutical industry in Ecuador and Latin America by taking a leadership position in manufacturing quality medicines at a reasonable price. In addition to this, we are bringing good talent to the organization and we are launching from seven to ten products every year. Since our latest major restructuring, we have brough about 30 products to the Ecuadorian market – mostly in the cardiovascular, pain, gynecology and CNS segments. Also, we are the only manufacturers of ophthalmic drugs in Ecuador.

In the institutional market, we participate in bids and tenders at government level – we want to be a strategic partner with low costs for good value

According to IQVIA, the Ecuadorian branded generic market accounts for 93 percent of the entire pharmaceutical landscape. What makes PharmaBrand different from other generic players in Ecuador?

Firstly, our strategic vision to be a strategic player in the long term in health care. Quality healthcare is our mission. For this reason, we dedicate all our efforts towards research, innovation and technology by creating safe and effective products. Secondly, the quality of our products equals that of a multinational as I mentioned earlier, with the only difference that we provide a good value and cost benefit compared to them. Another aspect that makes the PharmaBrand business model similar to that of a multinational is the proximity to patients and the wider medical community. Last but not least, our infrastructure which, once again, reminds us that of a big multinational company.

You consider yourself a pioneer at national level in research and development, coming up with therapeutic inventions to treat and prevent illnesses. What is your current R&D focus?

We are a branded generic company, so our business model does not yet entail the creation of unique medical compounds here in Ecuador, however we have some patents granted for our own developments. At this stage R & D focuses on sophisticated analysis regarding products and raw materials consulted by other companies. Synergism with different areas helps maintain a clear focus in the pharmaceutical world. We tend to ameliorate molecules that are already in the market and perfectionate them – our vision of R&D is to seek the best alternative to provide comfort to the patient.

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As a generic player, what is the balance between affordability and sustainability?

At the moment, our model is both affordable and sustainable. We really hope that we will not have to face other major changes in the healthcare industry. The 'Decreto 400', which determines that new pharmaceuticals with therapeutic advantages will undergo international reference pricing, has already been in place for several years and is allowing access to patients. On the other hand, if the government continues to lower the prices of drugs, I am afraid it will prevent further investment in the country.

What is your current internationalization strategy?

We are currently analyzing whether it is best to open up a fully-integrated affiliate in places like Peru, Bolivia, Chile and other central-American countries or to start off commercializing them. In the medium-term, however, we will keep registering the products and then we will consider further steps.

What corporate brand are you trying to build globally and what would you like our readers to associate PharmaBrand with?

I would like PharmaBrand to be associated with quality as well as one of the most admired and respected brands in Ecuador, not only in the pharmaceutical industry but as an Ecuadorian company. I would like to emphasize, once again, that given our commitment to produce quality products similar to those of multinationals PharmaBrand can be a reliable partner in the long term.

How would you like to see the company in five years' time?

I would like PharmaBrand to be ranked among the top players in the Ecuadorian pharmaceutical market and to be a local success story to be looked up at. Ecuador is a ‘hidden jewel’ in South America and I hope that the readers of the Healthcare & Life Sciences Review start seeing it as an opportunity to invest and bring capitals to the country. Furthermore, we are open to partnering with companies willing to bring innovative products to Ecuador.

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