

Interview: Paul Apap Bologna - Managing Director, Associated Drug Company (ADC), Malta



"At ADC, we consider ourselves as the one-stop shop for companies planning to enter the Maltese market"

16.05.2018

Tags: [Malta](#), [ADC](#), [Distribution](#), [Logistics](#), [Cannabis](#)

Paul Apap Bologna, managing director at Associated Drug Company (ADC), introduces his family company, focused on distributing high-quality innovative solutions to Maltese patients, and evokes the key opportunities that the medicinal cannabis segment can represent for Malta and the industry.

Established in 1930, Associated Drug Company (ADC) has a long history as a dynamic pharmaceutical distributor on the island. Can you introduce the company to our international audience?

At ADC, we consider ourselves as the one-stop shop for companies planning to enter the Maltese market. We can offer all types of distribution services from the importation of products to its storage and delivery to the patients through pharmacies, hospitals and doctors. We also offer repackaging services for the reduced batches we receive from other markets. Indeed, the size of the Maltese market doesn't permit us to bring in full batch sizes. Therefore, we receive reduced batches and repackage the products to ensure the new market's specific requirements are respected. Moreover, we can provide laboratory services and analytical testing for companies in non-EU countries to control their products, give the certification and release the batch into the regional market.

Currently, we employ 48 people and the company has been growing progressively. I entered the company before Malta's accession to the European Union, so I have observed the important evolution ADC went through, especially in terms of policy to adapt and implement all EU legislations and processes to operate and compete within the new environment. The first key milestone was consolidation of our business by bringing all the organizations together. Our offices were first located in Valletta while the warehouse was in the countryside. Now we have gathered and developed the company in the same place. After ten years following the EU requirements, we have grown substantially due to high-quality services we deliver to our clients.

ADC has developed "lifeline", a service of cryopreservation of stem cells and umbilical cord blood. It is a rather innovative service for Malta. What is the rationale behind opening such a service on the island?

The company is primarily focused on bringing more innovative quality R&D solutions to the island. In this regard, the Lifeline company collects and stores stem cells from blood and umbilical cord that can be used to treat patients and their siblings if compatible in various therapeutic areas, notably leukemia. USA has been strongly investing into the stem cell technology over the last years and our market has been very favorable to the storage of stem cells. The segment has been growing and becoming more interesting.

Moving forward, we would like to invest more in personalized medication and technology development in medical devices as we believe these segments will be growing strongly. For example, we are currently working with the Maltese company Umana Medical which has created an innovative heart monitoring device helping to monitor patients at all time and notifying doctors immediately if any health issue arises. This remarkable Maltese invention will be fully launched by the end of the month and we will distribute it in Malta.

[Featured_in]

What other area do you see growing in the future?

A company can grow progressively by bringing new ideas and products to its operations. Therefore, we have been closely watching the cannabinoid business and we believe it will help put another footprint in Malta's industry. Indeed, Malta has been regarded positively by many of the top international producers who want to choose the island as a center of excellence for medicinal cannabis in areas such as manufacturing, clinical trials, import, export and analytics. The country has taken a big leap ahead in working on new legislations to give the right to companies to produce in Malta for Maltese and European patients. In this regard, the Malta Medicines Authority

brings its regulatory expertise to ensure the medicinal cannabis regulations are made properly to provide patients with top-quality products through a supply chain that has been certified by EU standards, GMP and GDP qualifications.

This industry is going to grow exponentially over the next few years and we have taken an active role in bringing a large company to operate in Malta. Indeed, in order to build a strong cannabinoid industry in the country, the island needs to welcome big global players in the field and encourage them to use the excellent Maltese infrastructure to perform clinical trials. This will create a great platform for Malta to become a center of excellence by encouraging the collaborative work of companies and the university and develop a skilled talent pool in the segment.

What are the challenges the distribution ecosystem is currently facing in Malta?

Fundamentally, the biggest challenges for local distributors is the Falsified Medicines Directive (FMD). Indeed, setting up the FMD and its infrastructures under strict and rather short timelines as well as establishing an operating repository and data communication system between Malta and the European hub are going to be important challenges.

[related_story]

Additionally, around 70 percent of our products are imported from the United Kingdom, thereby, the industry is unsure about the impact of Brexit in regard to its alignment with the FMD and to the new sourcing of our products to ensure Maltese patients have access to their treatments on the island. From our perspective, as we are partnering with R&D multinationals offering innovative solutions in oncology, rheumatoid arthritis, hepatitis, etc., our suppliers are already looking at different channels that will support and supply products for their different entities. However, it is more complicated for smaller companies with less important infrastructures.

Moreover, most of the products we distribute need to be purchased by the public sector, leading to significant budget constraints. These budgetary constraints together with global trends in an aging population, which push public healthcare sector cost upwards, makes it more challenging for us to design a more effective market access strategy. As distributors, we believe patients are the most important part of the supply chain and therefore, our main goal is to ensure patients have access to high-quality products at the right price and in a timely manner.

How does ADC remain competitive in this market and continue to build its name in the international market?

The company's image is strongly linked to human resources and the team we have built. At ADC, we are always operating as the company in a streamline manner, offering needed services to both companies and patients. We work with an open-door policy where people are treated more as a colleagues and friends than as employees. Everyone is encouraged to be open, sincere, able to share their ideas and take initiatives to develop the company. Therefore, we also give them the responsibility of leading their projects and leaving the mark in the business' history. Personally, I enjoy working with my team. They are motivated people full of ideas and new initiatives which allows me as the Managing Director to look at new and innovative therapeutic areas to grow the company. People are the key to the success of this company. They represent us and are the source of our image and reputability in the market.

Can you tell us more about the collaboration of ADC with key stakeholders and the role the company is playing in the development of the industry?

ADC is partnering with some of the biggest companies in the pharmaceutical industry nowadays. They were looking for companies that can represent them in the way that reflects the values they believe in which are mainly honesty, integrity and patient centricity. ADC strives to accomplish this mission and by providing that, companies are choosing us to operate in Malta.

In the public arena, we are partnering with the healthcare section of Malta Chamber of Commerce and Industry and we are directly discussing with the government and the association PRIMA alongside some of our partners. We are also supporting the community's trust fund and we strive towards the goal of providing great care and support for patients' healthcare.

You have been Managing Director for 4 years now and the great ambition of ADC is to become market leader. What are the next objectives that you have set for the upcoming 3 years?

We are aiming to differentiate the company from the competitors in the market by providing services and products that are not available yet. We also believe that we should enhance the awareness and perception of ADC that has continuously built an extremely good reputation based on quality, integrity and patient centricity over the past 75 years. This is my main objective for the next three years. My long-term vision for the company is to pass down this family business in a strong shape as I received it myself. I have three children and my sister, a Director at ADC, has three children as well, it is important for me to further develop the platform and work environment upon which the company is based for the family's next generation. Therefore, we are moving towards becoming the market leader in certain fields, one certainly being the cannabis sector.

[See more interviews](#)