Interview: Pedro Moura – Managing Director, Merck Portugal

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Pedro Moura is the first Portuguese managing director of Merck in Portugal, taking on the role in September 2017 after a stint in HQ in Darmstadt, Germany. Moura discusses Merck's global vision, new and exciting products coming soon to the Portuguese market and the importance of collaborative partnerships across the healthcare spectrum to combat diseases such as malaria. Finally, he reveals why the Portuguese workforce is a class above.

What was your mandate when you took on the role seven months ago?

At Merck our purpose is clear: to help create, improve and prolong our patients' lives. The impact of these actions leads to more babies born, more lives saved and an overall improvement in the quality of life for our patients. To achieve this goal, my mandate is to create the right environment and mindset that encourages our people to follow and align with our priorities, so that we seek constant development and consistently provide services of the highest value to our patients.

We have four priorities as part of our European mission of making a difference to millions of lives. Firstly, we must grow the core of our business operations and that means having solutions to the diseases that are of most importance on the Merck agenda. Fertility, endocrinology, cardiometabolic care, multiple sclerosis and cancer form what we call our core solutions offering.

An important growth driver for our Biopharma business is our portfolio of fertility therapeutics that help women conceive a child. Merck seeks to improve fertility treatments in Portugal where we are the market leaders in this area. Interestingly, we have diversified our offering in this regard in recent years; we move from the Number One provider of drugs to becoming also a leading medical device supplier in fertility treatment in Portugal. Our ambition is to be regarded by fertility specialists as a fertility treatment partner with integrated innovative solutions with medicines and medical devices that represent our holistic approach to a painful illness that affects thousands of women and men across the country.

Secondly, cardiometabolic care is the leading area of business in Portugal. A whopping 60 million patients daily are exposed to our CMC products worldwide, covering treatments from type 2 diabetes care, cardiovascular and thyroid diseases The global Cardiometabolic care initiative manifests itself in the Portuguese portfolio and is reflected in our product offering here. Another core offering is multiple sclerosis (MS) where we have solutions that help to treat relapsing forms of the disease, one of the most common neurological diseases among young adults and where we are currently also launching new medications in an effort to make life easier for MS patients, , and finally, our products relating to cancers.

What is the strategic importance of the Portuguese affiliate?

Portugal sits in part of the largest region in the world: the EMEA. Within the EMEA grouping, we have the ‘middle Europe’ grouping which covers all European markets excluding the Big Five and Russia. Portuguese affiliate plays here an important role with a steady growth over the past 5 years and a continued growth potential, therefore a crucial element to Merck’s European success.

What upcoming launches do you expect to bring to the Portuguese market?

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Launching new products to support our core offering is crucial to our continued growth. For 2018, we plan to bring two new products to the Portuguese marketplace: one is an oral treatment for multiple sclerosis – Cladribine tablets – a treatment which has a unique mode of administration. With only two weeks of medication in year one and two, the patient will no longer need to make any treatment for an expected period of up to four years, which dramatically improves the patient’s life, and relieves the financial burden. We are anxious and excited to bring this drug to market and look forward to launching it to market any soon this year dependent on reimbursement procedures. The second product we are excited to bring to market is Avelumab, which received European approval in 2017. We are now in the process of submitting the reimbursement dossier. If everything goes smoothly, then we will be in a position to deliver this drug by the end of this year.

Portugal used to be one of the slowest markets for reimbursement. Nonetheless, we are now shaping this environment for the better, and the evidence makes clear the progress we are making. The number of INNs has increased year on year, and in some cases, the increase has been dramatic. To reduce the reimbursement assessment is an important objective of the Portuguese Authorities. These steps will bring further improvements to the healthcare system and goes to show that INFARMED (Portuguese Health Authority) and the Ministry of Health are keen to ensure that all patients have access to the medicines they need,

Given the slow reimbursement processes and the historically challenging approval process, how do you advocate for more investment into Portugal from HQ?

It is my responsibility to advocate for investment and resource allocation in Portugal, using the KPIs, facts and figures which currently show good progression. Approval times are shortening, and the reimbursement process is progressively improving. Ultimately, however, Merck is focused on delivering on our purpose and therefore keen on providing excellent access to those patients most in need. We know that if we offer high-quality products to those most in need, the revenues and results will follow to continuously re-invest in our purpose

What challenges do pharmaceutical companies face in Portugal?

The debt discussion has been a debate going back decades in the Portuguese healthcare system, and if we rewind 20 years or more, there was no generic or biosimilar market in Portugal. In this regard, there has been a dramatic, tangible change.

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Now, the dialogue between the pharmaceutical industry and government focuses on bringing new and vital treatments to patients. We must always differentiate between highly unmet needs and delivering on extending the lives of patients with quality—two domains that often feature to innovative products. Nonetheless, the pharmaceutical industry must also register that originator medicines often come out of patent and generic drugs have a useful place in the healthcare system in treating patients and diseases with economically valuable outcomes. The management and balance between these two resources is a vital discussion, and in Portugal, although the topic is challenged regularly, we see progress and positive outcomes.

The conclusion to these discussions combined with external pricing issues has forced prices down, especially in comparison with other European countries. However, this is the only way to release additional resources—because resources are, by definition, limited— and to free up the necessary room for innovation in the marketplace.

How does Merck position itself as the partner of choice for governments?

At Merck we are committed to make a difference in patients' lives, to help solve global challenges, and to shape a sustainable future, ensuring that we are a responsible player in every country where we operate.

For example, if we consider our approach to oncology, our intent is clear in limiting healthcare costs and improving patient outcomes in a long-term vision. Merck has been and is currently at the forefront of biomarkers, and in particular, personalized medicine. Our investment in personalised medicine will reduce costs, but primarily limit side effects specific to individuals by exploring and better understanding new biomarkers. Moving forward to this individualized approach is vital and it is the future of healthcare, and Merck intends to be at the forefront of biomarkers' success and usage.

We foster an outstanding partnership with iBET (the Institute of Experimental Biology and Technology), in this regard. I was impressed when I came back to Portugal from Germany, by the investigations that iBET is carrying out. With these laboratories, we are collaborating on a pioneering screening platform for discovery of new anti-malarial drugs. We work closely with the iMM (Molecular Medicine Institute, Portugal), to perform tests and evaluations. In November of last year, we were present at the inauguration of the new insectarium, where insects are tested on for anti-malarial medication.

As a company, we are not only interested in treatment, but prevention and post-malarial complications. We approach the entire scope of operations for malarial applications which is of crucial significance given Portugal's connections to Portuguese-speaking African nations. Through the Merck Foundation, we are proud of our long history supporting these countries. We feel responsible taking part in this project for the lives it will improve.

What is your assessment of Portugal as a test-bed for innovation?

I am often struck by the impressive nature of Portugal's innovative life sciences operations. Perhaps the Portuguese flexibility, resilience and creativity which have distinguished our culture for centuries are characteristics that contribute to this.

The ability to reset our mind-set, take a step back and think outside the box might also be the reason. When Portuguese scientists go abroad, conversely, they bring their risk-taking capacity and flexibility, which explains why Portugal has historically been such an export economy for HR resources. For Merck, we have Merck scientists travelling around the world and returning to Portugal to continue research projects. The weather, the culture, and the food are bonuses and incentives for return!

What are your strategic priorities over the next three years?

My mission here is to sustain a robust trend in our core businesses, including oncology neurology, cardiometabolic care, endocrinology and fertility, and build bridges and partnerships with pharmaceutical companies. We are ambitious in our aim to launch one new project per year: this will completely reshape the image of Merck in the future.

Finally, we must retain and work in fulfilling the potential of everyone in the company because after all, the people make the company. We ‘export’ roughly one employee every year to other markets, and attract attention each year, especially given our recent achievement by Merck Global as being a top European employer for 2017.

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