Interview: Jon Neal – Managing Director, Takeda UK and Ireland

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17.07.2018

Tags: UK, Takeda, Pharma, M&A, Partnerships, Market Access

As all eyes are on Takeda these days after its announced acquisition of Shire, Jon Neal, managing director of the UK and Ireland operations of the Japanese player, looks back on the company's internationalisation path. He further highlights the extremely collaborative approach Takeda engages in with NICE and gives tips for successful HTA approval processes.

You have just joined as director of the UK and Ireland operations after spending several years with the company. Given the exciting context we are currently in, what priorities were laid out for your tenure?

After spending almost ten years with Takeda, it is great to be at the helm of our UK and Ireland operations and lead the business. I obtained the position just before the Shire acquisition was announced, so my initial priority was to continue building on the success that we have had so far and accelerate it even further. Our mindset is: wherever we are, we play to win. Our goal at Takeda is to be the most respected company in each of the therapeutic areas in which we are active, to be competitive, but also to be valued both by our customers and our employees.

What is today the scope of operations of Takeda in the UK?

In the UK, Takeda first has a commercial business, based out of High Wycombe. This part of our business has almost doubled in the last three years in terms of revenue and it has also increased by 50 percent in terms of head count. This is in large part due to the launch of some innovative

medicines in areas like Crohn’s disease and Ulcerative Colitis, diabetes, and several assets within our oncology portfolio, all of which have encountered great success in the UK market.

Outside of the commercial operations, the UK hosts Takeda’s Development Centre for Europe, which is based in central London. Its responsibility encompasses the coordination of our clinical trials in Europe. Furthermore, our European regulatory teams as well as a small team involved in new molecule development are also situated in the UK. Today, London is very much a hub for R&D in development and trial design.

In the last two years, Takeda globally went through a transformation in its R&D approach. We now have a much stronger internal focus, thinking about external collaborations as a way to drive our research agenda. At Takeda, our discovery R&D is not fulfilled in a massive lab, it occurs in small pockets of biotech companies or universities, and we strive to collaborate with these organisations. In the UK, in the past 12 months alone, we have signed three different collaboration agreements with small companies—two in Cambridge and one in London—which goes to illustrate the great science available in this country.

How would you hence summarize the significance of the UK operations for Takeda globally?

We are the third largest market in the European and Canada region for Takeda, and, within that geography, the fastest-growing country affiliate. The UK grew 25 percent more than the whole of Europe within the last 12 months. I also think that the establishment of the European Centre of Development in the UK demonstrates that the UK is a very strategic market for Takeda, not just for the quality of the infrastructure available, but also because of institutions like NICE. NICE is a thought leader globally and serves as a reference for many HTA bodies. Once we achieve a positive NICE approval, this step holds importance not just for the UK but Takeda globally, just as a negative response from NICE can have important ramifications for all our affiliates.

Furthermore, we have a very positive track record of contributing to the development of British companies by leveraging on R&D collaborations. We have thus helped establish a new company called Cerevance in Cambridge, a spin-off company of the former Takeda research site. Today, Cerevance is a biotech company in its own right, active in the neurosciences field. Moreover, we have also signed agreements with a company called GammaDelta, who are focussed on immunotherapies for treatment of cancer and auto-immune diseases exploiting the unique characteristics of tissue derived gamma delta T cells.

How does Takeda work in partnership with NICE to ensure its innovations reach British patients as fast as possible?

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The UK has long been a reference country in terms of the way the company develops its global market access approaches. For instance, NICE very recently launched a service called PRIMA, and announced we would be amongst the first companies to participate and work with NICE to improve the service. PRIMA will allow us to assess early on if our data is fit for purpose. In general, our collaboration with NICE has been very positive over the last four years.

I think, there are two paths a company can take when approaching NICE. Either it takes an adversarial approach on the principle of “we are right and you are wrong,” or there is the collaborative approach that Takeda has chosen, and where the discourse is more around finding a common solution. I reckon that Takeda has a very special partnership with NICE. This has recently been demonstrated during the annual NICE conference held in June. In a discussion around achievements from the Cancer Drug Fund held by Sir John Bell, the only industry representative that sat on the panel was from Takeda.

The key to such a long-lasting positive collaboration is the willingness to compromise. As a company, you have to be willing to accept some level of compromise on price, more so than in other countries. However, once past that hurdle, you also reap the benefits. You might for instance be able to gather data you will be able to make strategic use of in other markets around the world. I would summarize the key points as such: having an open relationship with NICE, collaborating rather than being confrontational, and having an adult approach in assessing our own weaknesses, because everybody has data gaps, and, finally, keeping an open mind towards possible solutions. Lastly, I believe expectations have to be managed so that you aim for realistic results. The Cancer Drug Fund for example does not have to be a last resort solution but can be the adapted solution from the start. This is also linked to good communication with physicians, and we have to listen to their needs and expectations to where they actually wish to see our drug available, and then target those wishes specifically.

Can you tell us more about your collaboration with the medical community in the UK?

In the UK, we have a long track record of working closely with physicians. 15 years ago, Takeda took a step back from the traditional sales and marketing logic where you would send out big armies of sales representatives. Instead, we established a new management model where we pared down from having 250 people in the field to 50. The aim was to work in stronger

collaboration with the NHS and we decided to empower those who were closest to our customers to actually develop their own plans, aligned with the national plan, but giving them the autonomy within compliance boundaries, to take decisions. It is a bottom-up approach, combined with a strong global corporate strategy, and it has proven highly efficient in the UK.

With the NHS, the only thing truly “national” about it is the name. In reality, it is constituted of a multitude of local groups and is highly complex. At every step, you have to deal with each of the Clinical Commissioning Groups (CCGs) and they have all got their own priorities. Therefore, as a company you ought to be flexible and understand how your strategy fits theirs. One-size-fits-all thus cannot work in the UK, and our approach redeployment allowed us to tailor to all needs in the best way possible.

Where do you see growth coming from in the future?

Our current focus is on gastroenterology, oncology, and neuroscience. In the UK, we have recently launched a treatment for myeloma patients and are hoping to launch another in non-small lung cancer in 2019. Anal Fistulas as complication from Crohn’s disease is an area that will be targeted by an allogeneic stem cell therapy therapy hopefully early next year following NICE negotiations. We would be setting a first with this treatment and addressing a clear unmet need. We further have another product in lung cancer coming in two to three years’ time.

In neuroscience, we will see more growth in two years as well, when we will have products reaching the UK market. Lastly, with the global re-focus on vaccines currently, and a readout for a Dengue fever vaccine expected this year, this will be another important area for us in the UK as British people are a big travel nation.

What are the secrets to a great launch in the UK?

I think it is essential to start early and ensure your plans are fit for purpose. We have long been involved in a strategy of information exchange with NICE. Hence, by addressing NICE in search of scientific advice, we have been able to then gather information on the data needed and passing on the message to our global colleagues. The question when setting up a Phase III trial should be whether it will be providing the exact data NICE requires.

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To sum it up, having a proactive approach and well-thought-out planning, as well as ensuring you have the right level of expertise and resources at hand are essentials to tackle British market access. A team knowledgeable about cost-effectiveness and the specificities of our HTA process is

a must, as much as a collaborative approach to working with NICE. In this, listening and implementing are the two key components, followed closely by realistic commercial expectations. I think that, in the UK, commercial success can easily follow successful market access. The process might be lengthy at times, but the UK remains a great market.

Of course, the topic on everyone's mind these days must be the offered Shire acquisition by Takeda for USD 62 billion…

It is obviously extremely exciting. It is well aligned with Takeda's transformational efforts and accelerates the path on which we currently are. Indeed, this acquisition holds the potential to propel us within the top ten pharmaceutical companies globally. Nonetheless, we are still awaiting approval by both sets of shareholders. For now, we concentrate on the thrilling perspectives as Shire will strengthen our positioning in some of our current therapeutic areas such as gastroenterology, while also opening the door to new therapeutic areas such as rare diseases. As communicated by our CEO, we expect the deal to be completed in the first half of next year.

What do you enjoy about working for a Japanese company and its specific philosophy?

When I joined Takeda ten years ago, it was a Japanese company with global presence. Today, Takeda is a global company based out of Japan. Takeda has been on an incredible globalisation path over the past decade, however, the core values of the 237-year old company have not changed. They remain: integrity, perseverance, honesty and fairness. All of the four are closely linked to the Japanese culture, and at Takeda we strive to embody them in their Japanese understanding. So, when you are meeting challenges with a NICE approval for instance, it is great to be able to rely on your own perseverance, while having the honesty to admit to yourself where you ought to compromise. In this regard, living our Japanese roots has helped us take a different approach, and often, with success.

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