

Interview: Jeremy Thorpe Managing Director, Tillotts Pharma UK Ltd.



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07.08.2018

Tags: [United Kingdom](#), [Pharma](#), [Tillotts](#), [Strategy](#)

Jeremy Thorpe established Tillotts Pharma's operations in the UK, building his team around the central pillar of customer relationships. Jeremy explains how his company's approach allowed it to reach £25 million in sales and market leadership with Octasa® in just six years.

What is the history of Tillotts Pharma in the UK?

Tillotts Pharma (Tillotts) is a specialty pharmaceutical company focused on gastrointestinal (GI) medicines and most specifically in Inflammatory Bowel Diseases (IBD). In the UK, Tillotts brand of mesalazine, Octasa® is now the market leader, more mesalazine tablets are dispensed in the UK as Octasa than any other brand of mesalazine tablet. While Tillotts' strong market position in the UK is a recent development, the roots of Tillotts in the UK go back to a single pharmacy business some 55 years ago, so serving the patient is truly in our DNA. The community pharmacy, from which Tillotts takes its name, originally got involved in herbal remedies for common GI conditions and then, in the 1970s, it acquired the worldwide rights to the first modified release mesalazine which Tillotts then brought to the market in 1985 with the launch of Asacol™ [1]. This is where the Tillotts story gets complicated and more than a little confusing; in the late 1980s, Tillotts sold off all UK product rights, including the UK rights to Asacol, and then focused on building the Asacol brand in Europe and other regions of the world. Only after the patent on Asacol had expired did Tillotts return to the UK with Octasa.

Tillotts' history is very closely linked to that of Asacol, but whereas Asacol remained with Tillotts in mainland Europe and other parts of the world, Tillotts found that Asacol became our competitor in the UK. The end of the patent protection for Asacol in the UK gave Tillotts the opportunity to come back to the UK – at first as the manufacturer and supplier of a branded generic mesalazine for a leading generics house – and then in our own right with Octasa from 2010, starting active promotion in 2012..

I am really proud of our market leadership in the UK, not with Asacol but with our brand Octasa. Growing from nowhere at market entry to our current position in six years has been an exciting and fast paced experience. In 2015 Tillotts acquired the worldwide rights (excluding US) to Entocort® from Astra Zeneca, a product that is a perfect fit for the portfolio alongside Octasa. Entocort is an oral budesonide for Crohn's disease, an ideal second product as the target clinical community is the same as for Octasa. Tillotts is now looking for another perfect product the GI, digestive diseases or related market to sell alongside our IBD portfolio.

How did you come to gain market leadership in the UK, considering you do not have the strong asset of Asacol?

In the UK Tillotts' partnership with the generics house was intended to take share from Asacol; the branded generic mesalazine was included in a broader portfolio of branded generics and promoted to NHS payor organisations, initially anticipating that they would gain a 20% share of the UK mesalazine market. At the end of the 10 year agreement, the branded generic mesalazine had minimal market share, a very disappointing outcome. My first job as the newly appointed General Manager of Tillotts UK, a new business with zero sales revenue, was to terminate the supply agreement with the major generics house, and launch our own brand Octasa to compete with Asacol. I was told firmly by the generics house that we would be lucky to keep 20% of their sales; I took this to heart as a personal challenge. In 2013, one year later we had sales in the UK equal to 120% of our former partner's peak sales. I believe the secret to our success is our passion for what we do, and a deep understanding of our customers, combined with a genuine focus on the needs of our patients. I love working in Gastroenterology and specifically IBD, and I knew, back in 2013, that we had to build relationships with secondary care consultants and IBD nurses, so I brought in a specialist hospital salesforce. Because we started out as a very small team and with limited reach we focused our attention on a small subset of our market and made sure we did not spread ourselves too thinly. We then slowly expanded and increased our reach as our growing success allowed.

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How did you then build the Tillotts brand from there?

Our first priority was hiring the right people. Having the right people is essential for the success of any company. When you compare two products, identical in quality, outcomes and composition, what will make one a success and be the downfall of the other, is the relationship you have built with your customers, and for this you need good people.

We hired talent throughout the UK; in this country it is crucial to acquire regional knowledge of NHS infrastructure, culture and priorities. Despite our small size, we have now established teams in Northern Ireland, Wales, Scotland and different English regions.

We then took a step-wise approach in building our brand. Although around 2012 the market growth was coming from Asacol 800mg tablets, the vast majority of existing patients were stabilised on Asacol 400mg tablets; so we put all our efforts in establishing Octasa 400mg tablets as the alternative option. We opened dialogue with secondary care consultants and IBD nurses, our most important customers, the ones without whom we have nothing. They take care of our patients, and we are ever grateful to them.

The NHS was already cash-strapped in 2012, and we aligned ourselves with the new NHS strategic requirements, providing Octasa 400mg tablets as a high-quality lower-priced alternative to Asacol 400mg tablets. From total annual sales of GBP 230,000 in our first year in 2012, we took Octasa 400mg tablets to GBP 4.75 million in 2013. I believe this was because we had the most interesting value proposition to the system both in terms of financial savings and through a real passion for supporting patients with IBD.

The following evolution of Octasa speaks for itself. In 2014, we reached sales of GBP 7 million. This coincided with a new EMA ruling that aimed to reduce the use of a potentially harmful component from the coating of many solid tablets, and that both Asacol and Octasa contained. Ahead of the curve, Tillotts had already been researching and found a replacement for the potentially harmful component. Now we had—because of our proactive approach—a differentiating factor in the formulation as well as the price, this helped to show that we cared about our patients and that we are innovators in IBD.

2015 was the year we reached GBP 10 million sales and relaunched Octasa 800mg tablets as we had now established the base of trust needed for collaboration with our customers. Our growth has been skyrocketing ever since, with GBP 16 million reached in 2016, and GBP 21 million in 2017. We believe this trend will continue.

Today, we are market leaders in the UK with Octasa 400mg and 800mg tablets combined in terms of tablets dispensed, although Asacol is still ahead of us in terms of turnover. Seeing sales grow is the reward for doing a good job, and the volume of dispensed tablets leads us to believe we are now the trusted choice for our customers.

We try to understand the needs of our customers, including their expectations and their desire to do the best for their patients, something they value highly. I think this is where “Big Pharma” is often missing a trick. I like to live by the motto that you cannot understand someone until you “*have walked a mile in their shoes*”. This helps to achieve a true understanding of our customers, this, combined with passion for our product, is one of the keys to our commercial success.

In 2015 you acquired Entocort from AstraZeneca, in a US\$215 million deal. Is Tillotts looking to find other assets of the kind to in-license or acquire, and what role can the UK play in scouting for such opportunities? Where will growth come from?

The UK is full of such opportunities, and Tillotts is very interested in products that other companies might look to divest whether this is on national, regional or global scale. A big pharma company may lose interest in a legacy product as it approaches the end of its patent life even though it may continue to address patient need, or may simply find that a GI product does not fit in their broader portfolio anymore, so they lose interest and ignore the brand. We are, as a globally acting company, interested in taking on these products particularly those with projected annual UK sales in excess of four million GBP. Outside the UK, for products with regional or global reach, Tillotts and its parent company Zeria in Japan are able to acquire or in-license on multinational or worldwide scale.

Nevertheless, my mantra remains: ‘do not let distractions become diversions’. As we have now achieved market leadership with Octasa and built a solid relationship with our customers, we can strengthen our market position with new products. But we need to stay focused in our key market secondary care based GI.

As medium sized pharmaceutical business we cannot be complacent about our market, and how the whole of the pharmaceutical supply chain operates. Too many large pharmaceutical companies have made the mistake of forgetting just one link in the supply chain, leaving out communication with community pharmacists for instance, when they are the ones who get the medicine to the patient. Taking care with every part of the supply chain is really important, and as a business that grew from a community pharmacy, we take care of these important customers too.

What is today the importance of the UK affiliate for Tillotts as a group?

I am proud to say that Tillotts in the UK holds great importance for the group, for two main reasons. First of all, the market for ulcerative colitis and Crohn's disease in the UK is much bigger than in other larger European countries. According to NICE the incidence of UC in the UK is 10 in 100,000, and the prevalence is 243 per 100,000, and the incidence and prevalence of Crohn's disease is on a similar scale. Secondly, the UK holds great importance simply because we have had such a successful track record since we started out.

How do you expect Brexit to impact the UK pharmaceutical landscape?

If we have a 'Hard Brexit' I anticipate that changes will be necessary as the regulatory status of products in the UK will change. Marketing authorizations held in Europe will have to be transferred to the UK, and visa-versa, batch release will have to be conducted in the UK and there will be VAT implications as the customs status will change, there may also be delays at customs clearance and disincentives to supply the UK. Our responsibility is to be ready for whatever scenario unfolds, and to take whatever actions are necessary to avoid drug shortages so that we can continue to meet patient need. This is the practical reality we need to be worried about.

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What has been Tillotts' strategy to further demonstrate its dedication to working with practitioners in their speciality fields?

At Tillotts UK, we have further developed our team, completing it with three PhD graduates, specialising in digestive diseases and pharmaceuticals. They visit specialists in hospitals but do not promote products; rather they have a peer to peer discussion. With their help, we have established our training and education programmes reinvesting into the GI healthcare community with the aim of improving patient care.

I was dismayed when I first got interested in the gastrointestinal field, learning that a nurse could work in endoscopy on a Friday afternoon and start as an IBD-specialist on a Monday morning without any further qualification. The nurses are forced to learn on the job and this can be terrifying for them, so we put together six training courses for IBD-specialist nurses and created our LOGIC education brand. Indeed, nurses are frequently confronted with situations where they have to reassure patients about their long-term health or face the stressful situations coping with patient's parents. We enjoy this side of the programmes as "patients first" is also very much our philosophy, and we can thus better appreciate how it is "*to walk in nurses shoes*". Tillotts are also very proud to be active supporters of the IBD registry; this is a 'big-data' project with the ambition of collecting anonymised IBD patient data and this should result in improved knowledge to improve

patient outcomes.

Setting up an SME Pharmaceutical business and successfully meeting company objectives has been my most exciting and rewarding career challenge, in doing this, I have worked with some excellent people, colleagues and customers, and I draw a lot of satisfaction from knowing that Tillotts' support for IBD has improved the lives of many of our patients. It is essential to have passion for what you are doing and good people to help make it all possible.

[1] As of the date of publication, the rights to Asacol, including the rights to the trademark, are owned by Tillotts Pharma AG in various countries except for the following: Switzerland, USA, United Kingdom, Canada, Italy, Belgium, the Netherlands and Luxembourg.

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