Interview: Mark Dekker – General Manager, Astellas Turkey



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Mark Dekker, general manager of Astellas in Turkey, describes the ever-increasing commitment of the company to Turkey and the recent doubling of Astellas' portfolio in the country, while pinpointing the next steps ahead to further improve access to innovation in Turkey and ensure the country continues to be seen as an attractive investment destination for innovative, multinational companies.

Could you introduce Astellas' footprint in Turkey to our international readers?

Astellas Pharma was actually the first Japanese pharmaceutical company to enter the Turkish market, and our affiliate celebrated its ten-year anniversary in February 2018. Since our beginnings, we have been displaying a remarkable commitment to Turkish patients, as illustrated by the fact that Astellas' first product launched in Turkey was our company's flagship therapy at that time. Overall, we never had a large portfolio of mass-marketing, legacy products in Turkey, as we decided to exclusively focus our efforts on game-changing therapies targeting unmet medical needs in the country. As a matter of fact, over the first eight years of existence of the affiliate, our portfolio in Turkey never comprised of more than three or four specialty care products. However, regardless of the size of our portfolio at that time, Astellas has always been committed to building up its Turkish affiliate and steadily gain the critical mass needed to handle a more significant portfolio of specialty care products. From a start-up phase where the affiliate gathered together only a handful of employees, we gradually built an organization that today counts over

120 collaborators.

What have been some of your main achievements since taking over the affiliate in 2015?

When taking over as general manager in 2015, the fundamentals were in place and we were ready to trigger a new phase of growth for Astellas Turkey.

In this context, my two-fold mission was – on one hand – to maximize the value of existing therapies while – on the other hand – to bring new therapies to Turkey. In this regard, we are particularly proud to announce that we managed to launch four new products to the market – within only two years.

These new launches include groundbreaking products in urology, infectious diseases, as well as Astellas' flagship product indicated for the treatment of patients with metastatic castration-resistant prostate cancer (mCRPC). Although Turkey's long registration timelines resulted in this product becoming locally available several years after other large markets in the world, it has been approved and included within SGK's reimbursement system since February 2017. Since then, the sheer innovation of this product has been particularly well received by the Turkish market, and its launch beat all of our expectations; as a matter of fact, our market uptake in Turkey has been the fastest among all European countries.

While we doubled the size of our specialty care portfolio with these recent launches, the organization we have been building over the past ten years truly took off. We also managed to double our sales (in the local currency) during the financial year of April 2017-April 2018, and Astellas proudly stands as one of the fastest growing companies among the dynamic Turkish pharmaceutical market.

Looking at Turkey's current pricing system and the worrying discrepancy between TiTCK's fixed exchange rate and the 'real' market exchange rate, one may objectively wonder if innovative companies were still inclined to launch innovative products to Turkey. With four products launches within only two years, Astellas' position on the subject nonetheless seems quite clear…

This clearly stands as one of the hottest topics in the Turkish market. Astellas and its management did take the decisions to launch these strategic products in Turkey several years ago, and we are particularly proud of our company's ever-increasing commitment to Turkey.

However, considering how Turkey's pricing situation has been evolving over the recent years, no one can guarantee that the widening discrepancy at the exchange rate level and the extreme pressure put on pricing overall will not alter innovative companies' eagerness to bring their most

recent products to Turkey.

Building on the recent achievement of the Turkish affiliate, which opportunities do you identify to further extend this success story moving forward?

Looking forward, the next round of new product launches for Astellas Turkey will probably occur within three or four years; as a result, our first and foremost mission will be to consolidate and expand the penetration of our current portfolio.

Looking at the Turkish market, market access hurdles are high and prices are low, but the Turkish government has made a recommendable job in rendering healthcare innovation largely available. This means that once a product has been through Turkey's lengthily registration and reimbursement process, a satisfactory number of patients are entitled to access life-changing products. Regarding our recently launched products, we nonetheless still hold room for improvement when it comes to ensuring more patients actually benefit from them.

In the meantime, we are looking to make our therapies available across a larger spectrum of indications, especially on the oncology side. For example, our prostate cancer product could be approved – and reimbursed – for indications at the early stage of the disease progression, but receiving these indications and then progressing towards reimbursement for it in Turkey is easier said than done, despite the great data backing our submissions. In this regard, the main barriers lie at the reimbursement level, and the Turkish ecosystem must find the means to reimburse groundbreaking oncology products as first-line treatment options. So far, it is only reimbursed in Turkey for indications after chemotherapy, although data proves it has a tremendous impact on progression free survival and the patients' quality of life when utilized before chemotherapy. SGK's reimbursement decision on the surface appears to essentially be based on a cost and budget impact analysis, which if true is regretful.

These access hurdles do not exclusively concern Astellas' groundbreaking oncology products, as other innovative companies have been facing similar hurdles. In my views, providing Turkish patients with a greater access to innovative products at the early stages of the disease progression stands as one of the main rooms for improvement for the country's healthcare ecosystem.

In 2016, there were 30,000 patients waiting for organ transplants in Turkey, with approximately 2,000 of them losing their lives each year in the waiting process, according to statistics released from the World Health Organization (WHO). How would you rate the progress of Turkey in this area, given Astellas' critical role in the organ transplant field?

Although waiting lists are still long, the number of transplantations performed yearly is very high.

In the meantime, the quality of the overall process – ranging from the surgeries to the infrastructure itself – is extremely good. In addition to Turkish patients, the country's transplantation system is also welcoming patients from neighboring countries, including the Balkans, Middle Eastern, and Central Asian Republics. Furthermore, Turkey holds some of the largest transplantation centers in the world. In the Central Anatolian province, in the city of Malatya, the Turgut Özal Medical Center at the İnönü University is the second in the world for performing liver transplants with over 400 operations a year, most of them from living donors. Overall, Turkey is among the top three countries in the world for kidney and liver transplants from living donors. As one of the leading companies in the organ transplant field, we support the Turkish community as much as we can, and we maintain very close relationships with the Turkish Transplant Coordinators Association.

Moving forward, the next step will be to improve Turkey's rate of organ donation from deceased donors, as the country still lags significantly behind Croatia and Spain, which are among the leading countries in Europe, according to deceased donation and transplantation rates. Although Turkey's number of deceased organ donors/per million increased from three to seven over the past years, this is still six or seven times lower than in the aforementioned countries.

Leveraging on your experience, what would be your piece of advice to a recently appointed general manager in Turkey?

First of all: fully embrace the country and its people. In fact, it is not at all a challenging endeavor: Turkish people are very open, curious and definitely interested in learning from foreigners' experiences. On the other hand, I really recommend newcomers to go into details and not content themselves with the bigger picture. In the same vein, even a limited understanding of the Turkish language truly helps to get a better grasp of how things work in the country, and it also stands as a precious asset when collaborating with stakeholders at the government or regulatory levels.
Turkey also stands as a fast-changing environment, and being successful here requires flexibility and agility. Dynamics shaping the market are particularly intense, and changes may occur unexpectedly. In this regard, one must find the right balance of *embracing* the Turkish modus operandi, without losing complete sight of one's company's processes in the meantime.
Some people say Turkey is a challenging market, but I do not see that as something negative or unmanageable. Turkey is not a difficult country, but one that requires executives to make an effort – only then, Turkey can reveal itself as extremely rewarding.

Do you have a final message?

One must credit the Turkish government with the impressive changes that have overhauled the

country’s healthcare access paradigm over the past fifteen years. On the other hand, they implemented a very tough pricing policy, which can even be considered as extreme when compared to neighboring countries. I hope that the authorities will understand that this pricing context has now been pushed to the limit. Moving forward, the focus should be on ensuring the financial sustainability of the social security institution SGK without endangering access to new therapies, which have a tremendous impact on the patient’s quality of life. In the meantime, politically palatable changes to the reimbursement system could possibly provide the institution with a higher capacity to reimburse innovative products – for example, products that are still reimbursed in Turkey are typically available as OTC products in other markets.

As a general manager, one of our main missions is to promote the country we operate in to our headquarters. Controversial policies, whether they relate to extreme pricing or forced localization policies, do not help us to convey a positive message about Turkey. The latter holds tremendous potential and capacity across the value chain, both in terms of R&D and manufacturing. The best way forward for the country would be to further polish and promote its assets, rather than engage in a coercive approach, which will most likely cool down the investment appetite of multinational companies. Through the commitment of the entire ecosystem and thank to its existing strengths, Turkey already emerges as an attractive investment destination, whose assets do not need to be leveraged by force to stand out on the global pharma map.

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