

# Hyzan Mohd Yusof - CEO, OSA Technology, Malaysia

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23.11.2018

Tags: [Malaysia](#), [Medtech](#), [OSA](#)

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*Dr Hyzan Mohd Yusof, CEO at OSA Technology, tells the story of how he founded the company to address Malaysia's unmet needs in medical devices as well as his vision on the next steps the government should take to boost the sector.*

## **What motivated you to create OSA Technology in Malaysia?**

I am an orthopaedic surgeon, currently practising at the Sunway Medical Center as well as in non-governmental organizations to help during important disasters. In 2004, Aceh, Indonesia was hit by a tsunami and I volunteered to the affected region where we offered food and healthcare treatments as many victims had injuries such as fractures. When I reached the area, everything was devastated and the few hospitals standing were too far away and crowded. We had contacted international companies for assistance, but they would not help us by providing their medical products as it would have been logistically and administratively chaotic, so I operated without any proper equipment or anaesthesia on the fractures. We had to improvise.

This is when I realized that in the entire South East Asian region, there were not any medical devices manufacturers producing local brands for the local market.

Therefore, I took the decision to embark on this journey by creating OSA Technology with a few partners. After a few years, we received grants from the MTDC (Malaysian Technology Development Corporation). There were no other companies to help us, so we had to develop all the

processes, the factory and product dossiers on our own. As a small company financed mainly on grants, we were faced by a lot of hurdles but when the government called for a tender in 2011, we won the tender to supply all the public hospitals which helped us establish our name in the market.

### **What has been OSA Technology's main focus since its creation to differentiate itself in a competitive market?**

We are producing locally the basic trauma products such as orthopaedic trauma implants and instrumental sets. Having our own manufacturing plant is a real advantage because we acquire the learning processes to produce the best quality products. Another advantage is that we have a competitive edge when we participate in public tenders because we have a local license, and the government will more likely appreciate having a local manufacturer participate. Being able to manufacture locally also helps us keep our price low and increases our trustworthy and reputable image. However, due to our small size, we cannot do everything on our own. We have developed a network of partners in Europe and India who allow us to use their technologies so that we can produce and distribute in Malaysia. We are operating under this model since the beginning and it allowed us to learn about the industry, the Malaysian market and its regulations. We follow international standards so that we can be competitive against the multinationals.

In order to stay competitive, we cannot produce a "me-too" product as we will lose to the competition. Therefore, we are looking at new products as well as developing innovation. The government spent billions of dollars to do research at universities and Health centres. Their solutions are winning international recognition, but very few actually reached the market. There is a link missing between the research the government has been promoting and investing in and the commercialization of these solutions. OSA Technology is looking at all these opportunities to grow. We currently have two products in our pipeline, currently at the clinical trials stage, and we believe we will be able to commercialize them in the near upcoming years. We want them to reach the market so that we can be an example for the country and show that it can be done. I also want to inspire my fellow researchers to start their own companies.

### **Where can healthcare professionals find OSA Technology's products?**

As we are a small company, we have grown organically and that is why for the first few years, we were only in the public sector. Our main goal was to ensure that there were no complaints from the

government's hospitals and that our products were of international quality levels. As for the private sector is used to having international brands, the perception of a brand is very important. We knew it was going to be tough, so we decided not to enter the private sector at the beginning of the company. Now that we have nine years of experience, we believe it is the right moment to enter the private sector. We intend to use our experience on the public sector to build our brand image and showcase to our new clients that we are experts in this therapeutic area and that we serve patients with the same quality as multinationals. We can also serve them better as we understand our clients better and there is no delay in receiving their products.

In terms of international presence, we are not working in South East Asia yet. We are a bit cautious about going abroad at the moment as we want to really establish our brand and presence in Malaysia first and use this experience and recognition to go to neighbouring markets later on. We think that we will also need to find partners over there and since we own our technology, we will eventually grow our manufacturing base in other markets, especially in Indonesia, so we can have better chances to win their tenders.

**As the government is making an effort to promote the local medical devices industry, what initiatives would you like them to implement in the upcoming years?**

The government has made the right decision to start developing the healthcare industry. We have the appropriate workforce and the right environment for the manufacturing of medical products, so it is a safe bet to invest in Malaysia, but we are missing the step from research to commercialization. At the moment, I believe that I am the bridge in between the two worlds considering that I am an active practitioner also working in the industry. As a nation, we have to build the right ecosystem. We already have the universities but now, we need accredited labs to certify the medical devices. We also need a medical devices regulator that can work both on the local and international level as well as a clinical research centre that can help companies file in the correct dossier. It is important to establish a proper financial support. We do have bank and development funds, but we need an entity that will only focus on medical devices. Indeed, medical devices have a unique financial need. As we take bigger risks, we need bigger funds for the registration, marketing and clinical trials. We should also work more closely with the world like Europe, the UK but also the Silicon Valley which has a lot of potential in terms of medical devices innovation. It might be too expensive to develop the product in the USA, so we can offer the right place to develop the factory and build the products.

Moreover, as a practitioner, I know how important the quality is for a product, but I never had imagined the very stringent regulations the industry has to align with. There is also a policy in Malaysia, establishing that the government will support local businesses but in practice, we still have to compete with international companies like Johnson & Johnson.

### **What are the next steps for OSA Technology in the upcoming years?**

Our next plan is to market our products in the private sector, but we also want to bring new products to the world that will be recognized as the Malaysian technology that can have global usage. I am competing with big multinational companies on bringing these technologies, but our advantage is that as a small company, we do not have the numerous layers of bureaucracy which will delay their advancements.

Moreover, I have never seen our market as only Malaysia but as the South East Asian region that welcomes more than 700 million people and growing. Our number of hospitals are growing much more in this area than in developed markets. OSA Technology has to move faster and to build a realistic roadmap. We should revisit our plan, look back at what we are good at and push on that to grow our industry, create innovation and ultimately help the patients. However, we have to make sure that it is possible to get it to the hospitals. I also believe that the region should learn how to respond to its own problems. Indeed, for a long period of time, we have been counting on products from Europe or America. It helps us, but it doesn't participate in solving our problems and it costs a lot more than if we produced locally.

OSA Technology is coming to the region and we want to ensure that we can make our neighbours prosper. We can work together to serve the people better and make sure that it is a two-way business relation. OSA Technology can be a technology provider. In the end, medical products are about helping people. We are very passionate about helping people.

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