Bertrand de Lavenne – General Manager, Mylan France



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Bertrand de Lavenne, general manager of Mylan France, explains how the affiliate is positioned within the group's operations and how the Mylan strategy is to be a key actor in connecting the health network around patient needs. De Lavenne also shares his view on the French pharmaceutical market and the generics environment within it.

How is Mylan organized in France?

In France, Mylan headquarter is in Lyon with a second administrative location in Paris and three production sites in Nouvelle-Aquitaine and Auvergne-Rhone-Alpes. In Paris there is the company's prescription business unit. This office was established through the combination of Mylan's acquisition of Abbott's non-US Developed Markets Specialty and Branded Generics Business in 2015, and the one of Meda in 2016. Not only were these acquisitions of portfolio but also of experience and know-how.

Our head office in Lyon comes from our acquisition of Merck's generics portfolio and here you will find the retail and hospital business units as well as most of our support functions. Overall, these two locations bring together many professions necessary for the marketing of our products, such as regulatory functions, pharmacovigilance, quality, supply management, marketing, sales, and human relations.

What have been your initial priorities as general manager since taking on the role three months ago?

I joined Mylan three years ago as head of the retail pharma business of the company. When I became general manager this past November, my first action was to focus on the continuity of Mylan's global strategy at the local level. Following the acquisitions of Abbott's portfolio and Meda, we have been organizing France to meet the group's overarching business objectives.

My next priority was to ensure our patient-centricity as a mindset and business approach, positioning Mylan as a healthcare player involved in getting all the actors around the patient to work together, as I believe this is crucial. The pharma players are just a small part of the patient experience, we must also consider physicians, pharmacists, and other healthcare professionals. In Mylan, we feel we have a major role to play as one of the key actors in ensuring that the entire health ecosystem is working together for the patients.

You have had a very international career in markets like Switzerland, Emerging markets, China, the UK, Algeria, and more. How has this experience benefited you since returning to France?

I left France 20 years ago and have been to many countries. The biggest changes I have seen were not only the cultural differences but business models as well. I spent time in countries that were purely price driven and extremely regulated like the UK to countries where the regulations and business models are based on compromising between forces like Switzerland and markets where quality expectations are high but patient expectations are not always met like Algeria. However, in all these business environments in all these countries, there has been one common denominator: no matter where you are, understanding the interaction between stakeholders and patients is extremely important. In this regard, I can capitalize on my experience to take a step back, look at how different actors such as doctors, regulators, pharmacists, etc. communicate with patients and be able to find ways to link each of them together towards a common goal.

What were your first impressions of the French market upon returning after all this time?

The healthcare system in France was, and still is, at a very high level when compared internationally. When I left 20 years ago, there were already discussions on the sustainability of the

system, so it is nice to see that healthcare in France is still working well. I have seen the interactions between health actors improving but there is still work to be done.

What is your opinion on the words spoken by the Macron administration during the eight meeting of the Strategic Council of Health Industries (CSIS)?

President Macron has clearly positioned the industry as a priority target for the administration. What remains to be seen is how we can work together to create a pricing system and policy structure which fits with the willingness of both sides for industry growth. From the pure generics standpoint, we are seeing regular price decreases which do not help in getting the sector to look at France as a viable investment platform for the development of the industry. Nevertheless, there is a welcomed readiness for collaboration between government and industry which is a positive sign of improvement.

As I mentioned, we have three production sites in France, so the implications of growth prospects made during the CSIS are very important for Mylan. We hope that they can continue to be an asset for us in the country. Our facility in Chatillon came into the group as part of our acquisition of Abbott, the site in Merignac resulted from the absorption of Meda, and Meyzieu is Mylan's original facility in France. Therefore, it is vital for Mylan to be in a country where the industrial tissue is maintained and valued by the government.

How do you see the generic market developing in France?

In this discussion, it is imperative to acknowledge that France is among one of the best countries in the world for generic substitution at 80 percent. However, it is one of the lowest in penetration due to the framework in which generics operate. The job being done by the pharmacists is excellent and we see more and more general practitioners prescribing by International Nonproprietary Name (INN). The challenge France faces is having more generic products which fall within the 'repertoire' and can, therefore, be substituted.

In France, once a drug loses its patent, it does not become a generic, but rather a product without a patent. To be a substitutable generic, the drug must be listed on the 'repertoire' – a classification of products. Compared to other countries, not all products without patents are on the 'repertoire'. For example, paracetamol is off patent and can be produced by anyone in France. However, at the pharmacy level, paracetamol from Mylan or any other generic companies cannot be delivered

because it is not listed.

Therefore, the regulatory environment must change to better support generic players and give fair access and opportunity within the market. Today, a physician can prescribe drugs as “NS”, non-substitutable. Authorities are working on a change in regulation in which a doctor will have to justify this decision, something they are not obligated to do by today’s standards. Last year, Mylan alone provided the French healthcare system with around 30% of EUR 2 (USD 2.3) billion in savings, something we can only continue to do if given the proper means. (source: GERS data 2018)

Does France have the capabilities to embrace biosimilars in today’s healthcare environment?

Absolutely. It does and for several reasons. First is the quality of our hospitals and healthcare professionals. At the very beginning of prevention and diagnosis treatments with biosimilars – which starts at the hospital level – there is a high level of product understanding amongst physicians and pharmacists. The foundation here is stable enough to accept biosimilars, all that is missing is the regulatory framework specific to the products. As I mentioned, the network around the patient is essential in delivering biosimilars to patients and making sure that the hospitals, specialists, GPs, pharmacists, and patient groups are aligned on what the value can be. Finally, I would like to highlight and commend the very ambitious goals set by the government in its National Health Strategy, with an 80% penetration rate for biosimilars by 2022. So, everything seems to have come together for France to embrace biosimilars.

Mylan is one of the primary companies in France focused on biosimilars and we have about 20 products in the pipeline globally which we will be launching over the next several years, starting with Hulio (adalimumab) that we launched in France in February this year. We are planning to play a major role in this area to bring sustainable solutions to the health system and quality products to patients.

How does the global strategy of Mylan trickle down to the affiliate level?

Providing access is part of our DNA for more than 60 years. Biosimilars or HIV treatments are ones of the many examples where our Global Strategy cascade to the local playground.

Using biosimilars as an example, we are focused on this area in both Paris and Lyon which has allowed us to communicate with doctors, pharmacists, and patient organizations thanks to Mylan's willingness to address all health stakeholders.

Another example of a therapeutic area in which Mylan globally is one of the leaders and we are developing in France is HIV. We are finding a similar situation where we are working with the entire chain of healthcare professionals to extend patient care beyond diagnosis. In France, we are deeply committed in this fight against HIV/AIDS as we've been offering a wide range of antiretrovirals for many years and were the first company to launch in 2015 the Autotest VIH®, the first self-test for the detection of HIV, and which obtained the CE Marking.

As you can see, globally and in France, we are addressing therapeutic areas with the diversity of actors who play a hand in ensuring that patients can have access to the best health solutions.

What is the strategic importance of France and Europe for Mylan?

Looking at the development of Mylan in Europe, there has been a positive trend those last years. The acquisition of Meda and Abbott's portfolio was a clear signal of the strategy to increase Mylan's positioning in Europe and diversify our portfolio.

France has historically been an important market for Mylan. as this is one of the countries in Europe to gather strong conditions for development like the quality of the health organizations, the involvement of the actors, the size of the population, and overall health dynamics. Mylan France is the second affiliate after the US in terms of importance. We have a workforce of 1,500 team members and we are second in the market by volume and third by value (GERS/IMS 2018). Mylan in France is not a generic company, an OTC company, or a Rx company – we are a healthcare organization. In 2018, we sold around 400 million units, (source: GERS/IMS data 2018) meaning that in average any French patient will have six Mylan products in their home. This number alone shows our dedication and active efforts in serving the 67 million inhabitants of the country.

What are your goals entering your first full year as general manager of Mylan?

My first goal is to continue developing the strong workforce already in place as well as attracting complimentary talents to further support our growth. I also want to consolidate our business in France and fully leverage the integration of Meda and Abbott into the organization which was

completed in July last year. We will continue pushing generics as a partner to the healthcare system and pharmacies. Another objective will be to promote our new branded products and show Mylan's dedication to set up biosimilars, as well as positioning Mylan as a player committed from prevention to care with products in the fields of allergy or flu prevention for example. Lastly, Mylan France will continue supporting the industrial environment of France through our manufacturing activities. A good example is the production of Betadine in Mérignac, which celebrated 50 years of operation in 2018. This drug captures the 'raison d'être' of Mylan in France to sustain the local ecosystem, create jobs, and deliver quality to patients.

Looking forward, where do you hope to see Mylan as a leading player in French pharma?

I would hope we do not discuss the number of boxes we sell or the size of the portfolio we have, but instead our role to French health. I want Mylan to be perceived not just as a pharmaceutical company but as one actor in the health network which ensures that patients receive the best care possible. We will be a healthcare company, broader than what this meaning is today, and we will have a direct impact on quality of life even before drugs are necessary.

On a personal note, what advice can you give to future general managers on how to approach the French market and succeed here?

To work with the French people, the authorities, and healthcare professionals, it is absolutely natural and normal to embrace the language and culture. In fact, this mentality can be applied to any foreign market. When entering a country with a rich background and history, the ability to exchange with all actors on a common level can be extremely impactful. Secondly, France is much less conservative than people may think. We have a strong sense of creativity and France is absolutely a place for innovation. The truth is, the mindset of change and flexibility is here. Finally, there is a management system in France that lends a lot of people in terms of diversity and talent and this is something to be capitalized on. Do not stick to strict functions – try to understand what people can do, their strengths, help them find solutions and deliver more than what is asked.

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