Francesco Banchi – General Manager, Boehringer Ingelheim Hungary



Our company's focus is on developing a dynamic pipeline to address unmet medical needs

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Francesco Banchi, general manager of Boehringer Ingelheim Hungary, elaborates on the successful development of the affiliate in recent years, making progress in new product reimbursement. As an experienced leader in sales and marketing, Banchi offers his insights into the challenging market access landscape of Hungary and his strategies in cooperating with authorities to find mutual solutions.

What priorities did you set for yourself as general manager and what have been the key developments since you joined the affiliate in 2017?

When I came to Hungary, my predecessor Gabor Zalai, had been leading the affiliate for the past 17 years. He did a fantastic job developing Boehringer Ingelheim from its beginning in the country, but it was time to adapt the way we approach the modern-day Hungarian market. Things have changed all around us and with trends like digitalization, the speed of the industry’s activities has become extremely fast. Furthermore, given the life cycle of BI’s portfolio, the competition has become much tougher.

In recent years there have been changes in the legislation that made easier patients’ access to innovative, more effective and safer therapies, such as PRADAXA at the end of 2016. Also, in 2017 we succeeded in tendering BI’s oncology portfolio, and our products GIOTRIF and VARGATEF were

granted reimbursement. Finally, our Idiopathic pulmonary fibrosis (IPF) drug, OFEV, was also reimbursed. While we are proud of these accomplishments, I must say that the wait was much longer than in other CEE countries.

How would you assess the performance of Boehringer Ingelheim Hungary during this period?

I am very pleased with the strong performance of the affiliate. From 2016 up to now we have had consistent growth in the double digits – in fact, BI Hungary has grown nearly 50 percent over this period. The first factor that contributed to this success was the unmet needs and market opportunities which allowed for successful reception of our portfolio. The second was the expertise and commitment of our people. BI has a strong team carrying out the patient-centric mission of the company.

How is the affiliate working support patients and health professionals in facing challenges within Hungary’s healthcare system?

In order to support patients, we must first go through healthcare professionals, which is where the challenges begin. BI’s objective is to give doctors the most relevant scientific information available so that they can be in the position to make the best decisions for treating patients. This all starts with understanding what are the issues that healthcare professionals face in their daily practice. Therefore, we try to put ourselves in their shoes to understand what matters to them most.

HCPs are responsible for dealing with many patients and are pressed for time when it comes to these conversations and interactions. To rely on well known and proven treatment choices is the default behaviour, which at times might prevent patients to receive even better treatment, newer innovations which may be the best solution. Therefore, BI is trying to deliver value by providing highly scientific and balanced information to make easier for HCPs to embrace innovative solutions in their daily practice.

Another challenge within Hungary’s healthcare paradigm is the openness of communication between doctors and patients. In Hungary, there is not a strong feedback culture in which patients want to openly discuss their health. For example, for chronic COPD many Hungarian patients are one a single regimen treatment when in reality they should be on combination therapy. This a result of patients not wanting to admit that they do not feel completely well because, in a way,

they see this as admitting the progression of their disease. This is a psychological challenge that not only exists in Hungary but all over the world. Nobody wants to feel that they have a disease, therefore adherence to treatment is never ideal in many therapeutic areas.

How is Boehringer Ingelheim’s product portfolio reflected here at the local level?

In Hungary, we have BI’s full portfolio that we are making available to patients. Our portfolio is also balanced in regard to the weight of each therapeutic area: respiratory, oncology and cardiometabolic with dabigatran and empaglifozin in Type 2 Diabetes. All TAs are doing very well. Additionally, we have exciting developments in empagliflozin for the near future, particularly in the area of heart failure.

These new class of products which have effects on two different therapeutic areas now require cooperation between various associations. For example, empaglifozin in Type 2 diabetes treatment now has effects on patients’ cardiovascular health as well. However, to bring this new paradigm we must change the mindset of doctors about the overlapping of treatments. If in the future, we can be successful in introducing these new class of products, it would have major benefits for the patients, but also for the efficiency and time-saving for doctors, and definitely for cost reduction of the healthcare system.

In oncology, we are starting to be recognized as a significant player, especially in lung cancer. In certain rare mutations, and even when combined with the immunotherapies available today, our products are significantly increasing the survival time of patients. As BI, our mission is to give hope to patients facing serious illnesses. The pipeline in Oncology for the coming years looks amazing.

What kind of innovation can we expect to see in the future from Boehringer Ingelheim?

Looking at our pipeline, especially in oncology, we have a very promising future ahead of us as a strong player in the area. Although BI is seen more as a niche company in oncology today, we believe in the next five years we will become a top player along with Roche, Celgene and Novartis. We also have an innovative pipeline in other areas like CNS and Inflammation. Our company’s focus is on developing a dynamic pipeline to address unmet medical needs.

Given your experience with Boehringer Ingelheim across CEE, what are the unique characteristics of the Hungarian pharma market compared to other countries in the region?

The pharmaceutical industry is very highly taxed here in Hungary. The cost of a field sales force team is very high in comparison to most other European markets. Additionally, each drug that is given reimbursement is taxed at 20 percent immediately, then after five years, an additional ten percent is added on. In Hungary, we also face volume agreements, paybacks, reimbursement caps, and more. The local authorities have all of the tools which you could think of, to limit the growth of a therapeutic area or particular brand whereas other countries may only have a few.

As an expert in sales and marketing, what would you identify as the most critical factors of a strong market access strategy in Hungary?

The way that drugs are approved and brought to market by NEAK is based on the research which was started much before the development of the drug to reflect what experts are looking for in the products. If the reimbursement process for drugs is delayed extensively, both patients and HCPs might see their levels of frustration grow because in neighbouring countries the same treatments are available and reimbursed. The process of reimbursement as it is today requires excessive time and negotiation which ultimately limits the access of patients to the latest innovation.

Therefore, having the right balance is essential for navigating the market access challenges of Hungary and ensuring the newest innovation is made available to patients. In particular, having an open conversation with the authorities is the most important step; putting ourselves in their shoes and trying to understand how they manage their role. Deciding how to allocate budgets is a difficult task and some decisions impact the population more than others. Certain diseases have a much higher burden on society and the healthcare system more than others, particularly cancer. As BI, it is our goal to be a partner to the health authorities and support them in this kind of decision making by fostering dialogue whenever possible.

In this year’s published annual report, CEO Hubertus von Baumbach put a strong emphasis on digitalization. How are you working to embrace the digitalization wave here at the local level?

Of course, we always experiment with digital tools and communication channels while remaining compliant with the local regulations of how we can reach patients and doctors. However, it is not always easy to integrate digital tools with traditional methods. Our aim is to deliver the best experience to our stakeholders, and there are still some who prefer traditional methods rather than digital. My mission is to equip the doctors with the tools necessary to do the best job possible.

Boehringer Ingelheim is not only within the top 20 pharma companies in the world, but the biggest family-owned pharmaceutical company. In your view, what are the strengths that this unique positioning brings to the company and its affiliates?

As a family company, we do not just think in terms of quarters, but rather generations. This flexibility allows us to make strategic decisions for the mid and long-term benefit of the company, patients and employees. BI is one of the company's which invests the most in R&D and innovation – nearly 20 percent each year. Additionally, we are also able to create industry partnerships to enhance the accessibility of patients to the most breakthrough products.

What leadership strategy and corporate culture are you aiming to create amongst your team?

In BI our organization is centralized around the values of AAI: Accountability, Agility, Intrapreneurship. These words reflect the ambition of how we work and operate in healthcare as a company. Accountability is the ability to take timely decisions with well-balanced analysis and intuition, particularly in tough situations. Through agility, we search and respond to drivers of changes through active experimentation in the way we work. Finally, through intrapreneurship, we serve the needs of customers and patients by turning innovative ideas into business results.

As general manager, it is my duty to be a role model of these behaviours in the affiliate and lead by example. The biggest challenge if figuring out how we can create space for these behaviours to be implemented. How do we change the way we work internally while still actively approaching health professionals and authorities? It is about finding the right balance between local culture and external and internal driven changes. We move from acknowledging these issues to working together as partners to find win-win solutions.

What final message would you like to deliver on behalf of Boehringer Ingelheim Hungary?

Think patients; everything we are doing as Boehringer Ingelheim and the industry is for them.

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