Linn Mandahl – General Manager, AbbVie Scandinavia

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In a wide-ranging interview, AbbVie's Linn Mandahl discusses how the reorganisation of Scandinavian operations back in 2018 has put the company back on a growth trajectory in the region. Mandahl also touches on the challenges and opportunities in terms of portfolio and culture that the Allergan acquisition has brought about; the market access scenario in Denmark and Sweden; and the potential for greater clinical trial collaboration between the two Nordic nations.

Could you talk our international audience through the career trajectory that has brought you to this point as general manager for AbbVie Scandinavia?

Having completed a master's in pharmacy from the University of Uppsala, in Sweden, I started working with MSD, where I stayed for almost 18 years. MSD was a fantastic company for me and helped me to mature and develop while working my way through various commercial positions. In addition to Sweden, I also spent a period working across the Nordics and Ireland, which was an excellent experience, working on the mid-term pipeline in areas where MSD did not traditionally have expertise. This was akin to breaking new ground and involved working directly with global and European headquarters as well as at the country level.

I was on the management team at MSD for around six years, overseeing various business units, including immunology and hospital care, before being recruited as Takeda's general manager for Sweden in 2013. During this period, Takeda's strategy was shifting from the old Nycomed portfolio

to new pipeline assets in haematology, and immunology, making this a very invigorating experience. The business model also changed a lot in this process as we shifted towards hospital and specialty products. Moving from a US- to a Japan-headquartered company was also exciting; the Japanese tend to place great trust in local leadership and local knowledge, allowing different geographies the freedom to embrace their own culture and operational style, while adhering to some common company principles.

After four years at Takeda, I was recruited by AbbVie Sweden, where I spent two years as country manager before my responsibility was expanded to the entire Scandinavia cluster.

This reorganisation and centralisation of AbbVie's Nordic footprint in 2018/19 saw many management and support functions relocated to Sweden, with a significant number of staff let go in markets like Denmark and Norway. Could you explain the logic behind this reorganisation and its impact?

The reorganization was implemented in order to adapt to a shifting external environment in all three countries. It was important for us to build an organization with maintained expert functions to be at the cutting edge and as well to have optimal support for Denmark, Norway, and Sweden. The solution was to retain teams with broad enough capabilities to maintain our position as leaders in the markets where we were present. Today, we are utilising the talent across the three countries to a larger extent. While the Nordic organisation is still centralised, we now have a broader and more diverse representation of employees in expert functions and senior leadership positions across the region.

Presumably, one of the triggers for this centralisation was sub-optimal business performance. How was AbbVie been performing in the Nordics since then?

Following the loss of exclusivity (LOE) for Humira in Europe in 2018, we are now back to growth. This growth also relates to the size of the organization, which is expanding in a sensible way. The reason why we can do this is that our pipeline is really starting to deliver with the next generation of immunology products as well as haematology treatments, where we are seeing rapid growth.

The integration of the Allergan portfolio is playing a significant role in revenue generation and is allowing AbbVie, including AbbVie Scandinavia, to invest in R&D and clinical research. At the same time, the original AbbVie pipeline is also delivering well, putting us in a good position.

Does AbbVie's withdrawal of resources from Denmark suggest that the country is no longer a priority for the firm? In what ways is Denmark still relevant for AbbVie?

Denmark is highly relevant for AbbVie in several ways. For example, the country is the frontrunner within the Nordics in terms of adopting innovation in haematology and has initiated a very ambitious approach to dealing with cancer. Additionally, Denmark has some of the highest numbers of clinical trials per capita in Europe and has been selected as one of AbbVie's priority countries for new clinical trials. We also have a long tradition of collaboration with the Danish healthcare system and all key stakeholders and are committed to helping shape the overall ecosystem there to improve access to innovation.

AbbVie's acquisition of Allergan in 2020 makes the combined group the world's fourth largest pharmaceutical company. Big M&A deals of this type play out differently in different markets but what has the impact been AbbVie Scandinavia so far?

There has been a very positive impact so far in Scandinavia, with big additions to our operations both in terms of employees and portfolio. Early on, we established integration teams from both companies with the goal of getting to know the respective companies' cultures. Cultural understanding and culture building is crucial in such deals, and we have been ambitious from the beginning in trying to establish it. The two companies' offices were combined early on, and the moves were completed in the spring of 2021. The Allergan eye care and Botox teams had merged immediately, both physically into our offices and organisationally into our business unit structure. Speed – along with culture – was of the essence. While the local legal entities are not yet merged, we already work as one company.

Taking on the Allergan portfolio means that AbbVie now has a much broader value proposition. What kind of conversations and campaigns have you had to undertake to educate stakeholders about this?

In neuroscience we have created an entirely new organisation – AbbVie Neuroscience – combining Botox and our Parkinson's disease business, we have also created a 'healthcare solutions lead' role to lead collaborative efforts within the field. Historically, AbbVie and Allergan have been very strong in developing healthcare solutions in collaboration with patients, healthcare practitioners,

and academia. Moreover, it was clear that there was already a high degree of innovation in the Botox and eyecare teams in terms of project management, healthcare solutions, and innovative ways of educating healthcare personnel. By creating the healthcare solutions lead role, our aim is to formalise the partnership and healthcare solution co-creation work we engage in.

It should be noted that the AbbVie and Allergan portfolios dovetail very well across both neuroscience and eyecare. Some of our products, such as the one for Parkinson's disease, require a lot of support around them. Medical Botox, which can be used for migraine, post-stroke spasticity and cerebral paralysis, has a lot of value for the patients but its use requires a high level of education among prescribers and practitioners, something we try to provide.

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There is a high level of biosimilar penetration in the Nordics, which spells good news for patients and payers but must be a challenge for innovation-focused firms like AbbVie. Would you say that the market access environment is becoming more challenging in your region?

We still have value-based pricing in Scandinavia, but it is important that we protect it. There is currently a danger of focusing too narrowly on price, where very small price differences can drive whether or not a medication is recommended for physicians to prescribe. Cost-effective use of medications, new and older, is of course something we support but the medical community needs to have a certain level of choice to personalise and optimise treatments for patients with specific needs. Often the value for society would be greater if slightly more costly products were able to be prescribed to patients with a particular profile. As an industry, along with other stakeholders, including physicians, we need to advocate that freedom of choice is necessary and that not every patient looks the same.

Do you see any significant differences in the access environments of Denmark and Sweden?

In Scandinavia we generally have an effective access environment. Sweden does not have the national tenders that Denmark and Norway have, which can take some time, and we have seen

that the Danish Medicine Council has been challenged by bottleneck problems. However, there are other elements of the Danish system that are advantageous, e.g. highly qualified scientific committees ensuring clinical value.

Given that you sit on the Medicon Valley Alliance board, how would you characterise the potential for greater collaboration between Denmark and Sweden, especially in clinical trials?

Both Sweden and Denmark have been selected by AbbVie as priority countries for clinical trial initiation. Together with Medicon Valley and other stakeholders we are looking into the possibility of running clinical trials from one site in Denmark or Sweden, but with patients from both countries, in case only one country has been selected for participation. That would increase the competitiveness of this region internally in terms of resource allocation and investment, as it would for the entire life sciences ecosystem. Joining forces would create a bigger patient pool and allow even better leveraging of our great infrastructure, cutting edge science, strong academic institutions, and political will. Such collaboration would create an even more competitive and fruitful ecosystem – from public healthcare to academia, start-ups, and big multinationals – which would also be beneficial for the overall economy.

However, there is still a lot of work to be done. The key hurdles we need to work on are the exchange and pooling of health data across borders, incentives for cross border research, the movement of workers between the two countries, and attracting the right competencies and capabilities. There are some good initiatives already in place on these points, but we are hoping for more regulation to come in to create an even smoother interaction process. We recently met with the Swedish Minister with responsibility for Nordic collaboration who was very receptive to our proposals around this topic, could see the region’s potential, and seemed willing to take the next steps. Therefore, I am hopeful that significant progress can be made.

What is your take on Denmark’s comprehensive new national Life Sciences Strategy? Do you think it has the potential to have a big impact or will it simply be a continuation of what has gone before?

The fact that the Strategy is continuously revised tells us that life sciences is a priority for the Danish government. We would however have liked to see more about regional and Nordic

collaboration contained within the Strategy. With up to 25 million people, high quality healthcare systems, and great academia across the region, we can reach much further by working together. Nevertheless, overall, I feel very positively about Denmark's new Strategy, as I do about the new Strategy in Sweden and Norway's White Paper on the Health Industry.

More importantly, we need to think about how we embrace innovation in our own markets if we want to be leading life science nations. This goes beyond innovative medicines to include other kinds of solutions and innovations. If we want to stay at the top of the innovation indices, there needs to be more thought on how we practically embrace innovation at home.

Over the next two or three years, what do you hope to achieve with AbbVie in Scandinavia externally?

Our focus is very much on shaping an environment in which decisions for patients are made based on their individual situations and in partnership with the patients themselves. We strongly believe that patients are experts on their own conditions and that the best possible outcomes can be achieved when they drive their own treatment journey supported by health care professionals. AbbVie is engaged in many projects to promote the patient perspective and feels that patient associations should have a more formalised influence than they do today. We have very good experiences of soliciting input from patients if we do something that impacts them and many of the patient groups in Scandinavia have a high level of maturity.

The move to the individualisation of treatments should remain cost-effective. Therefore, we also hope that the value-based pricing system is maintained and that there is a greater embrace of innovative contracting agreements. This could help a lot; the pharma industry is moving towards personalised medicines and cell and gene therapies, which are often approved and launched based on early data. However, the fact that these treatments need to be complemented with more data down the line should not hinder patients from accessing them; therefore, outcome-based agreements in which the industry shoulders some of the risks are a good option and one which both payers and the industry are open to. There are, however, several technical hurdles and many are afraid of the administrative burden. Health data itself must be made accessible for the impact on society and costs of new treatments to be evaluated.

And what are your goals for the cluster internally?

While our next generation immunology products are already on the market, we have a number of important upcoming launches across several indications. Having recently launched new assets in rheumatology and psoriasis, we are now bringing forward treatments for atopic dermatitis. Additionally, having launched various treatment lines in chronic lymphocytic leukemia (CLL), we recently received regulatory approval for acute myeloid leukaemia (AML), a very difficult-to-treat disease with a high mortality rate. Then, we have more indications in haematology, eye care, the Allergan pipeline in migraine, and a new product in development for Parkinson's disease; a lot to keep us busy!

A broader portfolio is a luxury, but we also need to get our priorities straight. We only bring products which represent extra value, but on a resource allocation level we need to be selective around what makes the biggest difference for healthcare and for the patient, at each moment in time, and be agile in having focus on every launch.

Everything is dependent on our culture. We have been awarded Gold, Silver, and Bronze 'Great Place to Work' certifications for the three countries in the Scandinavia cluster and tend to get very high engagement scores in internal employee surveys. This is something we are proud of and is based on our conscious and structured work on culture; something that came in as very useful during the merger with Allergan.

How important is diversity to the question of culture and leadership at AbbVie Scandinavia?

We have a 43/57 percent female/male split on our management team, which is diverse, and across the entire affiliate there are more women than men. Moreover, in the coming 12 months, the theme of our cultural work will be equality, diversity, and inclusion. In August, we brought in some professional speakers on this topic and are now forming teams to work actively across the company; an inclusive workplace cannot be created unless everyone is conscious of it.

This is very much a priority for AbbVie global, but for Scandinavia an extra effort starts now. We have always had good scores, but we want to dig a little deeper and discover what else we can do. It is not only about ethnicity, gender, or professional background, but also about different profiles and the personality traits we promote and endorse. Through this work we hope to be able to make better and more inclusive decisions as well as give room for all of our many talents to thrive.

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