

Gustavo Pelizzari CEO, Elea



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Gustavo Pelizzari leads Elea, Argentina's largest pharmaceutical company by sales volume, employing 1,350 people. Under his leadership, Elea has achieved the unique distinction of simultaneously leading both the retail pharmaceutical market and the high-cost speciality products segment, a feat that requires markedly different capabilities. Leveraging full vertical integration and a robust regional expansion strategy, Elea has accelerated patient access to breakthrough therapies while maintaining strong financial performance despite Argentina's challenging economic environment.

Could you provide an overview of Elea and your market position in Argentina?

We employ 1,350 people in Argentina and are currently the country's largest pharmaceutical company by sales. Elea operates across three primary business channels: prescription retail, over-the-counter retail, and high-cost specialty products. We are number one in both the retail and high-cost markets. This is a unique achievement in Argentina, and to my knowledge, rare globally, as the capabilities required to succeed in these markets differ substantially.

We are also the company launching the most products nationally and are consistently first to market following major product approvals, such as high-impact therapies for metabolic or oncology indications. Our brands are widely recognised, and our presence is amplified by significant investment in television advertising, particularly in the consumer health and OTC segments, which drives awareness and demand.

In parallel, we are undergoing international expansion. Elea operates subsidiaries or affiliates across Uruguay, Ecuador, Peru, Chile, Colombia, Paraguay, and Central America. These international operations are predominantly focused on high-cost speciality products, including oncology and rare disease therapies. By introducing these products first in Argentina, we gain operational experience before scaling across the region. For example, we recently launched a high-dose metabolic therapy in Ecuador shortly after its domestic release, marking the first entry post-international approval.

You are a major player in consumer health and OTC. What trends are you observing, and where is the greatest growth potential in this segment?

We anticipate that the consumer health and OTC market in Argentina could nearly double over the next five years. Although we entered this segment ten years ago, the past six to seven years have seen significant investment to build strong, recognisable brands. Compared to other developing countries, Argentina's OTC portion remains less than half the size of comparable markets, which indicates substantial growth potential.

In contrast, conventional prescription products are unlikely to grow significantly. Patent expirations in this segment are minimal over the next decade, and the market remains under sustained price pressure. Our strategy focuses on identifying and entering segments with demonstrable growth potential, ensuring we optimise both access and return on investment.

Argentina differs from other Latin American markets, with domestic companies holding the majority of the market. How do you balance defending your home market with regional growth?

In Argentina's retail segment, domestic companies control roughly 60-70 per cent of the market, which contrasts with the high-cost speciality sector dominated by multinational corporations. Elea is unique in leading both segments simultaneously. Our main competitors in the high-cost market are large multinationals, such as Roche, MSD, Novartis, and Johnson & Johnson, which occupy positions two through ten.

Argentina remains our primary market and serves as the launchpad for our international expansion. We introduce products domestically to gather market experience before scaling regionally. For example, we recently launched a high-impact metabolic therapy in Ecuador, following its domestic introduction. Argentina enables us to test, refine, and optimise strategies before entering other Latin American markets.

You have also introduced a new therapy in the obesity space. How would you characterise your strategy for this rapidly evolving market?

We first launched a therapy designed to manage type 2 diabetes with a secondary indication for obesity. Subsequently, we introduced a dedicated obesity formulation, featuring higher doses specifically for weight management. The diabetes product is provided in a series of lower-dose steps, while the obesity therapy is available in higher-dose formats designed for that patient population.

Both products are supported by a robust access strategy, ensuring widespread availability. Our approach combines clinical efficacy, high-quality standards, and affordability, allowing us to expand the market substantially within months of launch.

Access to medicine represents a key Elea commitment. How do you partner with stakeholders to achieve this?

We employ a dual approach. First, Elea maintains the largest pharmaceutical salesforce in Argentina, with over 300 representatives contacting 60,000 physicians monthly for the past eight years. Physicians trust Elea's quality; our products consistently meet high standards, which strengthens credibility and acceptance.

Second, vertical integration from active pharmaceutical ingredients to finished product allows us to maintain strong cost positioning and rapidly expand patient access. For example, before launching a high-dose metabolic therapy, the market encompassed approximately 30,000 patients per month. Within five months, this number increased to 100,000. Strategic pricing and market awareness, combined with a highly effective salesforce, enabled this rapid expansion.

Elea is vertically integrated from API to finished product. How has this strategy differentiated you from competitors, particularly in complex categories like women's health and speciality care?

Vertical integration is a significant competitive advantage, particularly in women's health and speciality care. Elea is part of the largest manufacturing group for hormones in Argentina, producing both APIs and finished formulations in-house. This enables us to compete effectively on pricing and supply reliability.

In the high-cost speciality segment, including oncology, we produce both biologics and chemically synthesised therapies. Product lifecycles in these categories are short, requiring ongoing portfolio renewal. Producing these therapies internally rather than relying on third parties allows us to maintain control, reduce costs, and respond swiftly to market changes.

Elea focuses on high-tech areas like biosimilars and monoclonal antibodies while maintaining a legacy portfolio. How are you allocating R&D investment between these areas?

Elea's R&D team comprises approximately 110 dedicated professionals operating in a state-of-the-art facility. Investment is prioritised for high-cost speciality products, particularly monoclonal antibodies and oncology therapies, which require expensive clinical trials.

We simultaneously continue investing in our broader portfolio, including OTC and prescription products. These segments generate the revenue that funds speciality R&D. Annually, we develop approximately 40-50 products, launching 20-30. Portfolio allocation typically includes 25 per cent high-niche speciality products, 50 per cent OTC, and 25 per cent conventional prescription lines. This balance ensures sustainability while enabling innovation.

Argentina's tax burden, inflation, and price controls are constant challenges. How has Elea remained profitable and continued investing in R&D?

With over 80 years of experience operating in Argentina, Elea has developed expertise in managing economic volatility, including currency fluctuations, inflation, and interest rate fluctuations. We do not rely on government support or debt. Profits are reinvested in expansion, modernisation of facilities, and strengthening of commercial operations.

For example, production capacity has increased from 1.7 million units per month to over six million units per month in five years. Investment has continued even when competitors halted activity, which we believe contributed to our market leadership. This long-term approach reflects our commitment to sustainable growth and patient access.

How are business conditions in Argentina perceived beyond the headlines?

Argentina is gradually shifting toward a more stable and predictable economic environment, which is critical for any long-term strategy. For years, companies had to navigate wide discrepancies between their internal projections and actual macroeconomic outcomes — particularly around currency devaluation — making planning extremely difficult. Today, the gap between forecasts and reality is narrowing, giving businesses the confidence to make longer-term commitments. While the path to sustainable growth is still unfolding, the renewed sense of macroeconomic coherence is an encouraging and necessary first step.

Looking ahead, particularly over the next five years, which therapeutic areas will be your highest strategic priorities in Argentina?

In Argentina, our footprint is broad by design. As I mentioned earlier, we engage with approximately 60,000 physicians each month, covering virtually every therapeutic segment where meaningful growth potential exists. Our approach is straightforward: we prioritise categories in which we can expand the market rather than merely redistribute existing share.

To illustrate, let me refer to an advanced oncology molecule we launched recently. Before our entry, the monthly patient population was roughly 4,500. Several months after launch, that figure has risen to approximately 7,500. This growth is driven by two factors: high-quality manufacturing and substantial affordability initiatives, which enable physicians to prescribe confidently and patients to access treatment consistently. When cost barriers fall, new patients enter the therapeutic pathway. That is precisely what has occurred.

Our philosophy is not to displace others but to enlarge therapeutic access. We enter categories only when we are convinced we can grow the market sustainably. In contrast, in mature segments where the patient pool has plateaued and no further growth is expected, we generally do not participate.

How is the biosimilar landscape evolving in Argentina, and how does your organisation view the future of these products in the region?

Argentina has made significant progress in biosimilars, and I believe we are now widely recognised as an example of how these products can deliver tangible value. We launched the country's first

biosimilar of a major immunology antibody in 2016. Initially, it was a difficult environment, as multinational originators understandably defended their markets by questioning equivalence. However, we demonstrated â?? through rigorous clinical studies and adherence to international regulatory standards â?? that our product met all the quality, safety, and efficacy requirements expected globally.

Across the region, the regulatory environment for biosimilars still lacks uniformity. Some countries require full clinical programmes; others impose highly variable evidence demands. This inconsistency slows access and discourages investment. Nevertheless, all health systems in the region face the same financial pressure. Without biosimilars, they simply cannot sustain access to high-cost monoclonal antibodies whose prices increase annually and whose next-generation successors are even more expensive.

Governments are beginning to acknowledge this reality. They recognise that biosimilars are not optional â?? they are essential. Many products are now off-patent, yet approval pathways remain opaque or overly restrictive. In some cases, originators still exercise strong influence to limit competition. But the financial imperative is becoming overwhelming, and policymakers increasingly understand that, to preserve healthcare viability, biosimilars must be integrated systematically.

You mentioned that Argentina aims to incorporate the best global practices into its biosimilar framework. Could you elaborate on what that means in practical terms?

When we speak of adopting global best practices, we look closely at countries with robust, transparent biosimilar regulatory pathways. The United Kingdom is among the most advanced markets in this respect. Their evaluation frameworks, interchangeability policies, and pharmacovigilance requirements provide clarity for manufacturers and confidence for clinicians.

Our objective is to align Argentinaâ??s regulatory approach with these leading markets. That includes harmonising technical requirements, standardising evidence expectations, and simplifying procedural steps to reduce uncertainty. Several countries in the region â?? Mexico included â?? are now reviewing their frameworks to move in this direction. The ultimate aim is convergence across Latin America so that approvals are predictable, scientifically grounded, and aligned with international standards.

Elea has grown strongly across Latin America, yet you are not directly established in Mexico or Brazil. Why is that, and do you foresee this changing?

There are two principal reasons. First, our shareholders already own pharmaceutical businesses in both Brazil and Mexico. For that reason, our company has historically not entered these markets directly, as it would create unnecessary overlap. These affiliated companies operate independently of us, but their presence has shaped our geographic strategy.

The second factor is that Brazil and Mexico are significantly more complex markets than the rest of the region. Their regulatory environments, tender structures, pricing frameworks, and competitive landscapes require a scale of operational readiness that we preferred to build gradually. Our strategy has been to consolidate our expertise across the other Latin American countries first, ensuring that when we eventually enter Brazil or Mexico, we do so with a high probability of success.

We will enter these markets in the future â?? with our own products and under our own brand â?? but the time has not yet been right. When we do, it will be with clear strategic intent and the necessary organisational capability.

As we approach the end of the year, what message would you like to convey to readers about your company and the current state of the Argentinian pharmaceutical industry?

Our commitment is centred on innovation, not through new molecules; instead, we concentrate on developing products with improved formulations, enhanced delivery technologies, and clinically differentiated profiles supported by robust evidence. The objective is always the same: to expand access for patients.

To achieve that, we must protect our intellectual property, maintain the highest quality standards, and invest continuously in our manufacturing capabilities. We believe the model we have developed in Argentina can be successfully replicated across Latin America. The structural challenges facing healthcare financing â?? limited budgets, rising therapeutic costs, dependence on imported products â?? are consistent across the region. When we demonstrate the outcomes achieved in Argentina, regulatory authorities in Chile, Peru, Ecuador, Colombia, and others are increasingly receptive. They understand that our approach can meaningfully increase access, reduce foreign-currency pressures, and support local industrial development.

We frequently invite decision-makers from other countries to visit our facilities. Seeing the scale, quality, and scientific rigour first-hand is often decisive. They recognise that our model is both credible and replicable. Our overarching mission is to broaden access â?? in Argentina and throughout the region.

When you present these outcomes â?? particularly the data on patient access and cost savings â?? how do governments react? Does this evidence facilitate greater collaboration?

Evidence speaks very powerfully in this context. In Argentina, when we demonstrated the financial impact of our investments â?? the savings generated through local production and market expansion â?? government stakeholders understood immediately what this meant for the country. Many Latin American nations face a fundamental constraint: they lack sufficient US dollars to sustain heavy reliance on imported pharmaceuticals.

Two examples I mentioned earlier illustrate this clearly. Collectively, these programmes generate approximately 300 million USD in annual savings, and when local manufacturing effects are included, the equivalent value in domestic currency is closer to 600 million. Because we produce 100% of these products locally, we require no foreign currency to manufacture them. By contrast, competitors that import finished goods require 100% foreign currency outlays. Every unit sold represents currency leaving the country.

This creates a compelling argument for governments to support local industry. Yet, to be clear, we do not receive preferential treatment. Regulatory, pricing, and reimbursement rules apply equally to multinational companies and to. We finance 100% of our research, development, and capital investments privately. What persuades policymakers is not protectionism but the undeniable economic and social value our model delivers.

How would you assess the current year for your company, and what objectives have you set for the next twelve months?

This year has been the most significant in our company's history and I could say the same of the previous year. Each year has surpassed the last in terms of strategic milestones and operational achievements. The coming year will be equally challenging and promising, as we prepare to launch several high-value products with the potential to redefine our portfolio.

Our core business continues to grow at a steady rate, but it is these new product introductions that will propel us into a different scale of regional presence. We are optimistic about Argentina and about our expansion across Latin America. The fundamentals are strong, and our pipeline is robust.

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