

Interview: Andrzej Gondek, Country Manager, Glenmark Poland

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Persistence is a blessing, explains Glenmark's Country Manager for Poland, Andrzej Gondek. By adapting a new product strategy to increase their OTC portfolio, Glenmark managed to nearly double its sales in only two years, with other great ambitions for the future.

How would you describe Glenmark's performance in Poland since you joined the team in 2012?

Two years ago, Glenmark's turnover was USD 7.5 million. Our sales target in the short-term perspective is USD 16 million and USD 33 million in four years' times. Today, our sales are USD 13 million so we are close to achieving our target. When I arrived in 2012, the new legislative framework had just been introduced and our sales of specific molecules in our therapeutic areas dropped by 30-40 percent. However, we quickly managed to turn this situation around with 40 percent growth.

Many of my colleagues did not believe this could happen two years ago. At that time, we had monthly sales of USD 0.6 million, whereas today we have reached USD 1.3 million. In 2013, we have achieved growth of 35 percent in the medicines segment, which is a great success especially because at the same time the market grew by only nine percent. This growth is not a miracle—this is the really hard work of the whole team. Objectively speaking, we have potential for much more. I am proud that this performance has proven that ambitious goals are achievable.

Would you define this communication process as your greatest challenge at the moment?

Indeed, my greatest challenge in this company has been to convince people that great results and performance are achievable, no matter what the competitors or market projections indicate. Personally, I see it as I see trail running. This sport is one of the most extreme sports on earth, where athletes are running in extreme conditions (desert heat, arctic cold), with very limited resources (water, food) and for very long distances (250 km for some races). In order to survive and succeed, one needs to think positively, aim high, build a very good strategy and never let go of the goal, which is reaching the finish line faster than the others. If I can transfer these values and competitive mindset to all my colleagues, great success shall continue.

Given that the industry, as a whole, has been affected by the Reimbursement Act, how are you implementing Glenmark's 2014 winning strategy in Poland?

Our key success in Glenmark today depends on three main areas: adapting our strategy to the market conditions, adjusting our investments according to our specialty area needs and improving our balance between Rx and OTC products.

Three years ago, Glenmark was present in the general practitioner market with cardiology and pulmonary products, but in 2012 we reviewed our strategy to focus on specialty areas like psychiatry, neurology and dermatology. These areas demand a very different approach and resources allocation. Clearly, those who rightfully allocate their resources and efforts succeed in this business.

Prior to the Reimbursement Act, our portfolio was 90 percent concentrated on Rx products. Today, we have a very balanced portfolio with 50 percent Rx and 50 percent OTC. We have launched 10 new brands, OTC medicine, food supplements and dermo cosmetics.

It is worth mentioning that products developed and launched in Poland are also available in other EU countries like Czech or Romani, and will continue expanding our non Rx portfolio.

How do you think Glenmark can create an edge in the OTC market?

To be truly efficient with our OTC segment, medical representation has been one of our key strengths. We are present in the medical community focused on scientific approach and our products are very well perceived by doctors and patients.

Pharmacists have been under a lot of pressure with the new rules implemented by this new legislative framework. What opportunities do you see in this niche?

The market outlook remains very complex. We find a massive price erosion, intense competition and the patient purchase basket is lower today than it was two or three years ago. Fixed margins and fixed prices in many cases resulted in an increase in patients's prices.

How have you been using flexible strategies to bring Glenmark to the next level in Poland?

In Poland, prices must be flexible and as a country manager I have the autonomy to adapt the local strategy and create these necessary adjustments. This quick decision-making process and rapid implementation gives Glenmark a real advantage over other companies.

In our competitive landscape, I believe that having affordable products with high quality for patients is unfortunately not sufficient to become successful. Only forward thinking individuals can lead to success, which is measured by doctors's and patients's overall satisfaction, and motivation of employees. Of course, we need to pay attention to important factors like the rising cost of goods and changes in the legislative framework or market dynamics. However, these parameters are the same for everyone, and therefore only those companies that anticipate and find the best strategy (with the right people to implement them) eventually succeed. We also aim to always be the first to launch new generic products, as otherwise, gaining good market share is impossible.

Prior to Glenmark, you were working for a Polish flagship generic company, Adamed, as the head of consumer healthcare. What attracted you to move from a flagship local company to Glenmark?

Adamed represented a large part of my professional career in the pharmaceutical industry as I spent 13 years there. In 1999, my journey began as a medical representative. The company started expansion after the launch of amlodipine, a generic to Pfizer's Norvasc. Towards the end of my career there, I was responsible for sales, marketing, and consolidation of acquired businesses.

My contributions were widely acknowledged, as in ten years the business went from USD 20 million to USD 115 million in turnover, and my team grew from 60 to 400 employees. It was a natural career pathway to join a multinational company. My target was a company focused on ambitious growth, flexible, and with fast decision-making processes. This is how I joined Glenmark. The reason why I was instantly attracted to Glenmark was because this company is the typical sales and marketing player, just like me, and I saw great opportunities to grow the business rapidly.

What are your plans for Glenmark in the next five years?

Glenmark has been investing in the development of innovative molecules, which means that in a few years we will be ready to launch these exceptional products developed in Glenmark's laboratories in Poland. Our objective now is to grow organically and to maximize the use of the wide portfolio we have at our disposal.

We want to become the leaders in the high-potential therapeutic areas and this year we are introducing the first wave of our oncology products that will be of high value for patients. Since many patents are expiring this year, we are taking advantage of this situation to be the first in the market to provide our generic versions and provide the market with affordable top quality therapies. This means that Glenmark is looking to be the preferred partner for oncology doctors as we have been absent in this segment and doctors do not yet recognize us in this area. We will further strengthen our presence in neurology and dermatology.

I have confidence that the USD 33 million target will be achieved in the next three years. This is my ambition and I will not stop until it is reached.

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