

Interview: Kamal Abichandani – Chairman; Deepu Bhatia – Director; Hersh Abichandani – General Manager; Richard Mayani – Information Systems Manager, Ambica, Philippines

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In an exclusive interview, Kamal Abichandani, Deepu Bhatia, Hersh Abichandani, Richard Mayani, the Chairman, Director, General Manager, and Information Systems Manager of Ambica tell their story and reveal their key to success: quality partnerships.

As a former engineer without previous experience in the pharmaceutical industry, what were some of the ambitions that you had in founding the company?

We started the company due to the opportunity in the industry. I was originally in the garment industry where we exported to North America and Europe. We had a competitive advantage in the Philippines in comparison to other countries due to the established quota system. When this quota system was abolished, our company was left without an advantage and without a future in the country. At the same time, the Filipino government was combating the high prices of multinational pharmaceutical products and there was an executive order to bring generic medicines to the Filipino market. Our business started due to the executive order of the Parallel Importation Trade Channel (PITC) and by importing and distributing affordable generic medicines in the Philippines. ÆÆÆÆÆÆ

Your focus is primarily on distribution. Could you give our readers a brief overview of your operations?

We procure medicines from manufacturers that are very reputable in the industry, our goal has always been to partner with the top manufacturers who possess either US FDA, UKMHRA, EUGMP or any other form of PICs Certification. In the long-run, we decided to have manufacturers that could maintain the ability constantly to innovate and to adapt to any new laws that could be applied to the industry. The laws are continuously changing in the pharmaceuticals industry, meaning that we need

to partner with the best manufacturers that have the necessary infrastructure and documentation in place.

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When we first began our operations we partnered with the top manufacturing giants from India, JB Chemicals and Wockhardt. We then focused on launching innovative products that were recently taken off patent. Our strategy was to capture the first mover advantage with these new products, and we were able to make an impact in the industry because we had molecules that had just been taken off patent. In turn this allowed us to provide affordable generic versions of a multinational product. We also changed the way the medicine was sold. Not everyone in the Philippines can afford to purchase an entire box of medicines, and we made it possible with our packaging to purchase individual pills. This is a unique way of selling and it is customized to the Filipino market. Our competitive advantage is our affordable pricing coupled with high quality medication that comes from highly certified manufacturers and the unique promotion and branding that we sell the products with.

We were the first ones to launch a generic yeast-based insulin that had just been taken off patent. This launch made us the first entrant of a biological product in the largest drugstore in the Philippines. We have been the first to launch numerous products in the Philippines. The moment patents expire, we are prepared to launch.

Partnerships with reputable partners sound like the key to much of your success. How does Ambica differentiate itself from other competitors in the market?

A phrase I like to use is that we do not compete with anyone in the market; we let them compete with us. In my opinion the market is large enough for everyone to enjoy. What differentiates us is that we have quality suppliers and Ambica is prepared for the stringent audits, even if it is conducted by US FDA. Our manufacturers pass quality requirements and this differentiates our products. We also have local partners here that are strong, and this allows us to ensure that our quality-sourced products are able to reach the end patient. The goal is to get the medicines to the patients and within their budgets. Initially we faced negativity in the market because people did not trust the goods sourced from China or India, but we have been able to prove through testing and the support of doctors that our generics are of the same standard as the innovative drugs and we have greatly reduced the costs of medicines for the Filipino people.

Additionally, we are able to do things that other local companies cannot. We launched stem cell innovations and also RDNA-based-testing, which is very exclusive to a handful of companies globally. This test is used to diagnose patients for a number of diseases they may come across in their lives. These tests are 100% accurate and can only be found in developed countries where they can identify more than four-hundred diseases that we can. Our tests are more accurate than lab tests because lab tests rely on antibodies that develop to fight the disease. It takes time for the body to develop the antibody. Our product tests the DNA because the DNA modifies as soon as the pathogen enters the body and there is no need to wait until antibodies have developed in the body in order to make the diagnosis. This is a Nobel Prize winning technology that is both faster and far more accurate which has been endorsed by the College of American Pathologists (CAP).

Which areas in the company are providing the most growth?

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We are well known for our anti-infection drugs, which drive the most growth, followed by endocrinology, hypertension, nephrology and oncology. Aside from being the 2nd largest local company in the country, Ambica is the only distributor that has the complete portfolio covering of all
