

Interview: Lorraine Keyser – Country Manager, Dr. Reddy’s South Africa



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The country manager of Dr. Reddy’s South Africa explains that while the perception of the quality of generics has improved in South Africa, there is still a long way to go. She reveals how the company is currently amongst the top ten generic companies in the country, with the ambition to be amongst the top ten pharma companies within the next five years.

You have been the country manager at Dr. Reddy’s since February 2015. What have been your main priorities for the affiliate?

Dr. Reddy’s first established a presence in South Africa back in 2000. I joined the business in May 2010 and we have been on a growth path ever since. One of my focus areas since I took on the role as country manager has been working on our portfolio and new business development. We seek to maintain our leading position as one of the top generic based companies in South Africa, looking at acquisitions while also focusing on organic growth.

When we met with your predecessor, Nihar Patnaik, back in 2012, he told us there was a great opportunity for the company in South Africa, with the growth potential being immense. What have been some of the latest developments for the company?

Since 2012 we have been in negotiations with a number of companies in terms of in-licencing agreements and acquisition. We have entered into a marketing agreement with Vitobiotics, a leading vitamin and mineral company based in the United Kingdom, and as of October 2014 we have taken some of their products to market. We are now starting to see the results of such activities. Such deals take time to have an impact, but we are now starting to witness exponential growth.

As a company your portfolio is focused on key therapeutic areas like central nervous system (CNS) and primary care. Where do you see the growth hotspots?

A key therapeutic area for us is gastro-intestinal, where Omez is our biggest brand. Omez is also the number one omeprazole brand in the world, something we are very proud of. In 2012 we reached an

agreement with Biocodex to market Interflora, and have been doing so for the last 18 months. We also have a very strong focus on the central nervous system, where Dr. Reddy's has the fastest growing lens portfolio of all companies (source IMS February 2015).

When we met with Vivian Frittelli, CEO of the National Association of Pharmaceutical Manufacturers (NAPM), he told us that while generics in South Africa are of equal quality to originators, the key is to convey this point to the general public and doctors. How are generics perceived in the country?

The perception of generics has improved, although there is still a long way to go. Since I started working in the pharmaceutical industry, back in 1991, I have only ever worked in the generics sector. Unfortunately there is still a perception that generics are of a worse quality than original products. People working in the medical profession sometimes mistakenly believe that when a product is more affordable, it is consequently of a worse quality. The fact that we do not conduct original research is one of the reasons why we are able to market products at a less expensive price. Based in India, Dr. Reddy's is the second largest supplier of APIs in the world. Vertical integration allows us to reduce the cost of our goods, bringing products to market at a more affordable price.

When we decide to bring a product to market, we ensure that it is of the same quality as an originator through a bioequivalence study. The quality of our products should never be questioned. Dr. Reddy's is a well know international company, listed on the New York Stock Exchange. We never risk bringing a product to market that does not comply with all the quality standards that are in place. When it comes to the consumer, their impression of the quality of a product is mostly determined by the doctor or pharmacist. In South Africa prescribing tends to be done by brand. A patient does not inherently know whether they have been prescribed an originator or a generic. Medical aids also have a role to play because they mainly reimburse generic products and play a major role in reimbursement levels, thus affecting pricing of products.

What are some of the main challenges for generic based Indian companies in South Africa?

One of the major challenges is the registration process. The efficiency of the regulatory authority, the Medicine Control Council (MCC), could be optimised. At Dr. Reddy's we have been working through the NAPM to argue for better harmonization in the registration process. The NAPM as a body agrees that if a dossier has already been approved by the FDA, or the MHRA, the MCC should not spend people's time and resources to re-evaluate something that has already been evaluated.

Dr. Reddy's is headquartered in India, and has a presence in more than 100 countries. How does the South African affiliate fit into the vision of the company?

We are part of the emerging market unit within Dr. Reddy's. Our presence in South Africa is an important part of the business. As a company our global strategy is to establish a presence in many markets and Africa is now one of the focus areas. South Africa can become a way to us joining some of these markets.

What is your five year vision for the future of the company in the country?

Currently we are amongst the top ten generic companies in South Africa, and number 25 in terms of all pharmaceutical companies. In five years' time we would want to have firmly established ourselves amongst the top ten pharmaceutical companies in the country.

On a personal level, how would you measure your success?

It is a personal challenge to ensure that the business is successful. In five yearsâ?? time I want to be part of a company that is amongst the top ten in the industry. I would also like to see us conclude an acquisition and see some of the business deals that we are busy with reach a successful conclusion.

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