

Ismail Yormaz â?? Vice President & Regional Director South East, Recordati, Turkey



Running a pharmaceutical company in Turkey is a bit like building a ship in the bottle â?? you want to build an extraordinary product, yet the environment prohibits you from doing so, granting you only a small opening from which to operate

28.11.2018

Tags:

[Turkey](#), [Strategy](#), [Recordati](#)

Ismail Yormaz, vice president & regional director south-east at Recordati, shares the management secrets that have helped him grow Recordati into one of the top pharma companies in Turkey. He also shares his advice on navigating the Turkish market and his visions for the future.

Can you outline the changes that have taken place at Recordati Turkey since we were last here in 2015?

There have been many productive changes at Recordati since 2015. Most notably, we finalized the construction of our new manufacturing facility in Ã?erkezkÃ?y and are undergoing a European GMP audit. I am happy to announce that our global management is fully supportive and enthusiastic about this new manufacturing site in Ã?erkezkÃ?y â?? it is poised to become a major production centre for Recordatiâ??s global operations.

This year is "the year of audits." We have already undergone an audit by the Russian authorities for their domestic GMP certification, and we are awaiting the results; authorities from Azerbaijan have similarly conducted a GMP audit, and we are also awaiting their feedback; and, today, in fact, Danish representatives of the European Union are in our factory conducting an audit. Moving forward, we are already planning on being audited by the Ukrainian regulators, and we intend to carry on the certification process with as many regulatory bodies as possible.

Turkey is set to become a regional hub for Recordati. The country has historical and geographic advantages that make trading with the Balkan countries, Russia, the CIS region, North Africa and the Middle East quite easy. Turkey has a strong transportation infrastructure and it is accessible "within a two-hour flight, we can reach dozens of countries. Our potential for expansion from this affiliate is nearly limitless, so long as we can get the proper certification.

That said, Recordati is following all of the international rules and guidelines in a most transparent and incremental manner. As the Vice President and Director for my region, I am excited to see this process through.

To what extent is the factory in Erzurum to be utilized for contract manufacturing?

The factory will be, first and foremost, employed to meet Recordati's domestic, regional and global needs. When we have excess capacity, we will cooperate with other companies. We are always open to collaborations with partners that need production sites in Turkey, so long as we have the availability.

What are the prevalent trends that are shaping the Turkish pharmaceutical market in 2018?

Of course, when we are talking about the domestic market, it is inevitable that we address the unfit pricing mechanism that is constraining Turkish pharma companies in 2018. Today, the official local exchange rate which is used for pricing is simply too low.

Running a pharmaceutical company in Turkey is a bit like building a ship in the bottle "you want to build an extraordinary product, yet the environment prohibits you from doing so, granting you only a small opening from which to operate. The bottleneck, in this analogy, is the government's pricing mechanism. As they continue to narrow the bottleneck, it becomes more difficult for us to build our "ship."

We are great builders. We build factories and productive companies. But, we need government to support the industry more and to be assured that the opening of the bottle will get wider.

Although Recordati is now a top-20 pharmaceutical company in the country, it was only the 64th largest when you took the helm. How did you achieve this growth?

We try to approach the Turkish market with the right portfolio and the right strategy. We still have a ways to go, in terms of growth. As we look to the future, we do not overstep our bounds, though; we understand that we are a mid-sized, European pharma company. What we focus on is doing our best and embracing innovation. We are a hard-working team that tries to do the right things in the right way. We astutely follow all of the rules and we have garnered an intimate understanding of the

Turkish market. Now, we are very much focused on internationalization and ethics, adding the latest scientific innovation to our commercial ambition. Turkey has been a great host to us. Although it is a challenging environment in which to do business, if you know how and with whom to do business, you can establish a successful company.

How do you manage to navigate the macroeconomic challenges that Turkey presents?

It is difficult, to be certain. It is quite hard for foreign managers to wrap their heads around Turkey. You have to explain to them the exchange rate policy, the devaluation of the Lira, the discount policy, etc. Turkey is tough to analyze – it is complicated like the traffic in Istanbul.

The traffic in Istanbul is regulated and rather orderly – yet, there are certain unspoken rules that govern traffic that is not apparent to foreigners. Istanbul’s traffic is a perfect comparator to Turkey’s business culture; it is regulated and orderly in many ways, yet there are certain unspoken practices that influence the economy.

The traffic in Istanbul is regulated and rather orderly – yet, there are certain unspoken rules that govern traffic that is not apparent to foreigners. Istanbul’s traffic is a perfect comparator to Turkey’s business culture; it is regulated and orderly in many ways, yet there are certain unspoken practices that influence the economy.

As a manager, I have been able to find success largely in thanks to my CEO, Andre Recordati. His confidence in me to run a region has freed my mind to find creative solutions and growth strategies. The region that I oversee is heterogeneous – Turkey, Romania, and Tunisia, for instance, are all quite distinct from one another. Having to manage each one of these diverse regions has helped me to become a more flexible, savvy leader. I am able to see issues from the perspective of different cultures. My familiarity with these other countries has actually helped me in Turkey.

My management style is simple: first, listen. In every team, you have incredibly talented and inspiring people that will thrive if you listen and provide them with the right opportunities. Perhaps this is my medical training coming into play – the most important thing is the prognosis. In order to create a proper prognosis, one must listen to patients. I bring this same mentality to my role with Recordati.

As you listen, you must analyze the situation. In so doing, the proper solution generally manifests by itself.

What have been some of your biggest accomplishments in your four years with the expanded role of Regional Director?

My biggest success in the region has probably been our growth in Tunisia – currently, Recordati is one of the top-5 largest pharmaceutical company in the country. In Greece and Romania, we are achieving double-digit growth every year. I am particularly proud of our efforts in Greece, as it is a uniquely difficult market in which to operate given its rebate and claw-back policy. I am furthermore proud that Recordati is launching operations in Bulgaria.

Given your vast experience with other pharmaceutical actors, what is it about Recordati that makes you proud to be a part of this company, in particular?

Recordati is the most brilliant company I have ever worked with. That said, I am appreciative of all of my previous employers, as well. I have worked with Knoll Pharmaceuticals, from Germany, Abbott Laboratories, from Chicago, Menarini, from Italy, and Reckitt Benckiser, from the United Kingdom.

I have learned important lessons from each one of these companies. From the Germans, I learned the meaning of commitment; from the Americans, I learned business professionalism and how to adhere to deadlines; from Menarini, I learned how to make a deal; and from the British, I learned what real marketing is.

After all of these great experiences from which I learned so much, I can say that Recordati is still the greatest employer that I have had because I have learned the meaning of entrepreneurialism, teamwork and partnership.

Where will we find you, Recordati in the US and Turkey in 2023?

I truly cannot answer this question with any semblance of accuracy. 2023 will be the centennial of Turkey's founding, and companies everywhere are making bold predictions as to where they will stand at that time.

I only know one thing. I will try to become a wiser and happier man. Regarding Turkey, I know that the country will be wealthier and better off in five years' time. We have a young, well-educated population that is resilient and innovative.

Recordati will continue to grow. In the past ten years, we have shown strong regional and global expansion. Recordati trusts Turkey and the broader region, and we look forward to improving human health.

Do you have any final messages for our audience?

When my daughter was eight years old, she visited our factory and asked questions that are typical of children, exploring the facility with great interest. At the end of her short tour, she turned to me and said, "daddy, you have a good job—you are helping people." This continues to be the greatest motivation that I have in my professional life, and I think that my daughter at eight years old was very wise. Our entire industry is predicated upon improving human health.

I would like to reiterate to the world that the pharmaceutical industry, despite the criticism that we occasionally receive from the public and the media, is working towards a good cause.

[See more interviews](#)
