Johan Heylen â?? Country Lead Belgium & General Manager Specialty Care Belux, Sanofi

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16.06.2023

Tags:

Belgium, Sanofi, R&D, Manufacturing, Clinical Trials, Access, Strategy

Belgium is a key country for Sanofi in Europe as home to its Geel production site, in which almost EUR one billion has been invested over the past 15 years, as well as an important R&D hub. Johan Heylen describes the continuing relevance of the country to the company, the disconnect between the levels of investment that Sanofi is making and the increasingly challenging access scenario in Belgium, and his hopes for the future of the innovative biopharmaceuticals industry in both Belgium and Europe.

Could you introduce yourself to our international audience and what led you to your current position?

I have been working in the pharmaceutical and biotech industry for around 30 years. At GSK, I was the global commercial lead for vaccines where I was able to facilitate the launch of a number of new paediatric vaccines in Latin America, Asia Pacific, Africa and Europe, After this, I took over as global commercial lead in the US for immunotherapeutics, an area of medicine which is really shaping the future of healthcare

This all led me to my previous role as chief commercial officer at Belgian biotech Ablynx, prior to its takeover by Sanofi. It was and still is the leading NANOBODYÂ® platform, the next generation of

classical antibodies. Within my period of 5 years there, we were able to move the first Nanobody molecule from phase 2 to 3 and then to commercialisation. I was co-facilitating the successful NASDAQ IPO and coupled with good investor confidence and a strong portfolio was able to bring the company valuation from EUR 400 million to 4 billion before being bought out by Sanofi in 2019. It was a real rollercoaster but ended well.

Since the acquisition in 2019, I have had the opportunity to work at Sanofi and for the last 2 and a half years have been the country lead for Belgium.

Drawing on your varied and longstanding career experience, what steps have you implemented since taking on this role at Sanofi?

Sanofi in Belgium is in very good shape and its operations are based around 4 elements. The first is profit and loss (P&L). Making sure we show clear and positive results is of paramount importance as without performance you lack any credibility.

Secondly, we are always striving for access to innovation. If a therapy goes through EMA approval and does not achieve market access within Belgium, this represents a loss of that asset for our team but even more, a loss for patients who would not be able to benefit from the newest therapies. Therefore, this is a priority.

The third element is culture and an entrepreneurial â??play to winâ?? mindset. I try to get involved as little as possible in the day-to-day work of employees and instead trust and empower them to do their job with the right mentality.

Finally, our connection with the outside world and all the relevant stakeholders is crucial. The organisation needs to be connected to the people making decisions, such as the government authorities

We aim to build a stronger voice as a company and as an industry, so in the end, our footprint cascades down to impacting patients and giving them access to innovative medicines

What do you see as Belgiumâ??s fundamentals as a pharmaceutical hub and what are the most significant trends impacting it today?

Belgium, if we compare it to other countries in Europe, is a real pharmaceutical hub, and for this, I would like to thank the authorities. We are in pole position and want to keep on improving year on year. If you look at the figures, over 40,000 people are employed directly by the sector and another 90,000 indirectly. Belgium invests EUR five billion in pharmaceutical R&D every year, more than even our large neighbours, France, and pharmaceuticals are the number one export from Belgium, which is fantastic. Sanofi Belgium has a large footprint in these numbers, employing 1600 people and covering the full value chain from R&D and manufacturing to commercialisation.

Despite all these positives, these leading numbers have not been translated into market access as not all innovation is being made available to patients. Clear evidence of this is the fact that only 50 percent of innovative products are reimbursed, less than Greece, and it is taking approximately 540 days to achieve reimbursement, slower than Albania.

Why is faster reimbursement and availability of innovative products such an important point for you?

Last year, Sanofi invested EUR 120 million into its manufacturing site and we are responsible for the global production of the companyâ??s blockbuster medicine. We have had discussions with our CEO, and he is aware of the market access challenges we face here. Given the companyâ??s global reach and multiple options as to where to invest, the fact that our innovation is not being sufficiently valued within Belgium could make the country a less attractive destination for future R&D and manufacturing investments. Many countries besides Belgium, such as the US, offer excellent industrial investment opportunities so Belgium must offer greater incentives for companies to continually invest here, which is not the case currently.

Nevertheless, despite market access not currently being optimal, Belgium is undertaking a market access reform which the pharmaceutical community has responded positively to some aspects of. We do require that the information is transparent to all actors involved in this reform and we know that if we are not the best country in Europe for market access, there is clearly room for improvement.

The amount being spent on pharmaceuticals and healthcare is clearly linked to politics and budget management, though in my humble opinion, a wealthy country like Belgium should have healthcare as a top priority. If you invest in this sector, you get a return on investment such as greater employment. Furthermore, healthcare professionals and academics are exposed earlier to assets in clinical development and patients gain earlier access to medication via clinical trials. We are privileged to live in Belgium with its world-class infrastructure, so it is time we use it to its full potential.

You mentioned you have the full chain of operations here. What is the footprint of Sanofi Belgium?

We have a leading R&D hub for the company here that is focused on the research and development of new medicines that fulfil a significant medical need. In short, nanobodies are smaller than classical antibodies, meaning they can reach more difficult targets and can be more effective by combining them to attack antigens using differing mechanisms. our local our R&D platform puts us at the forefront as a global expertise centre of new Sanofi developments worldwide.

Another pillar of our Belgian operations is our manufacturing & supply site which employs over 800 people and is responsible for the global manufacture of biologics such as monoclonal antibodiesSanofi recently invested EUR 120 million in this site for the production of an innovative haemophilia molecule. Furthermore, we have also built an incubator for small-size production of new assets that are entering Phase I and II clinical development. We hope that if a molecule is able to reach Phase III or commercialization, our site will be considered for production as we already will have the expertise. This will allow us to grow and develop the site even more.

Another factor we are looking towards is to be the leading innovator in the country within each therapeutic area we are present. For example, in areas like vaccines and general medicines, we are excelling and plan to launch new molecules soon. For future launches, we are building an understanding of the impact of the medical conditions and budget implications of new therapies so we can plan with relevant stakeholders to see how we can best accommodate these innovative molecules into the current healthcare system.

What can the benefits be for a biotech (for example Ablynx) joining a big pharma (for example Sanofi)?

Coming from a biotech company I know it would have been too challenging to commercialise our products alone in markets like China, Japan, and Latin America. Being part of a larger company name such as Sanofi means you benefit from a global infrastructure with established resources and expertise. Furthermore, biotechs are run with the need to always find finances to take the next step and it is harder to absorb errors along the journey, while at Sanofi we have the luxury of maybe learning from a mistake rather than feeling such a large impact in our operations.

How challenging is it to find employees of sufficient quality and quantity for Sanofiâ??s wide-ranging Belgian operations?

Belgium is home to several world-class universities and a pharma valley which attracts academics from universities to construct spinoffs that can further develop into biotech companies. Furthermore, I believe that for an engineering graduate â?? for example â?? a company like Sanofi which gives you endless possibilities to grow and learn, while offering a great quality of life, represents the opportunity of a lifetime.

Another point is that if you look at our production site it is a lot different from in the past. More processes become fully robotized and controlled by AI, therefore, we are looking for a different profile of employees than in the past.

There has been a lot of talk recently about the shortening of patent periods in Europe. What impact will this have on innovation?

To put it lightly, I believe it is a bad move. The proposal is that the regulatory patent protection period be dropped from an already low eight years down to six, which is half that of the US which sits at 12 years. So, where does this place Europe?

The pharmaceutical industry business model is relatively simple and transparent. Innovative companies focus on R&D and produce innovation, and if we succeed, which is far from a certainty, we get the financial rewards of the therapy during the patent period before generics and biosimilars can enter the market. In fact, the price drop is so significant at the conclusion of the patent that it closes the door on our business in that molecule altogether, as there is no money to be made which can then be reinvested back into R&D.

Dropping the patent period will drive companies to invest in R&D in more welcoming markets like the US, Japan, and China. It is a bad decision economically for Europe as it will be pushing away investments and equally, it is negative for the medical community as patients will not be receiving innovative therapies during clinical trials. We understand that the model is not perfect currently but dropping the patent period down to six years is far from the answer and a combative step against innovation.

Despite all these challenges we face, I would like to say it is still a privilege to work in the pharmaceutical industry in Belgium. I do see it as an honour to deliver innovation to patients and providing healthcare for the country makes me proud.

On a personal note, I understand that you have a particular interest in art. Can you expand on what drives you?

The paintings I make are externalities of a philosophical quest, riddled with the absurd and the essential loneliness of man. This is in the tradition of the existentialists, but also with a deeply humanistic, almost sacred certainty: somewhere all this must have a higher meaning. I had the honour of being selected for a major expo in the Museum of Diest (Belgium) earlier this year. Several exhibitions in renowned settings are in the works for 2024 and 2025.

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