



Pfizer Canada Inc.

Working for a Healthier World

Talking with Paul Lévesque, President and CEO of Pfizer Canada Inc.

"Two minutes with Paul Lévesque"

1. How would you describe your personality?

Active.

2. If you were not president of Pfizer Canada Inc. what would you like to be?

A musician. I would play drums or guitar.

3. What's the least enjoyable job you've ever had?

When I was a student, I worked at Canada Post dispatching mail. It was boring.

4. What's the one thing you've done that you'd never want to do again?

Sit on a plane for five hours after landing.

Continued on the next page

Please review your career path to date, leading to your appointment as President and CEO of Pfizer Canada Inc.?

I have spent more than 21 years in the pharmaceutical industry. I started as a Sales Rep for Upjohn in 1985 and worked in a variety of pharmaceutical sales, hospital sales and sales training positions. In 1992, I joined Pfizer as a Product Manager. My first product launch was Norvasc® in 1992. The launch was successful and the product became one of the top selling brands in the country. It was a time of rapid expansion at Pfizer. I was responsible for the launch of Zithromax® and Zithromax® Pediatric and also managed Diflucan®. I then became Team Leader of the Cardiovascular portfolio. I held that position for two years before becoming Director of Marketing. In 2000, when Pfizer acquired Warner-Lambert, I became Vice-President of Marketing. After two years, I was appointed to the position of Vice-President of Marketing, Pfizer France and tackled a number of commercial and organizational challenges including the Pharmacia acquisition and the launch of numerous new medicines over a short period of time. In January 2007, I was appointed to the position of Country Manager, Pfizer Canada and I am very pleased to be back in Canada and looking forward to the challenges ahead.

Please give us a brief overview of Pfizer's history as a corporate entity?

Pfizer Canada Inc. is the Canadian operation of the New York-based Pfizer Inc. Since the acquisition of Warner-Lambert Company in 2000 and Pharmacia Corporation in 2003, Pfizer has become one of the world's largest companies based on market capitalization, reinforcing its leadership position in every major pharmaceutical market. In 2006, Pfizer Inc completed the sale of its Consumer Healthcare Division to focus exclusively on its core pharmaceutical business.

The history of Pfizer Canada Inc. goes back to 1953 when the company opened its first Canadian operations in Montreal, Quebec. The Pharmaceutical and Animal Health businesses are still based in Kirkland, Quebec. I think it's important to recognize that a key part of Pfizer's history—and future—is intrinsically linked to an ongoing commitment to research and development. Pfizer Canada Inc. is one of the top investors in Canadian R&D, investing > \$190 million in 2005.

What are some of the major similarities and differences between your previous responsibilities in France and your present responsibilities in Canada?

By definition, the scope of my responsibilities in France as Vice-President, Marketing was focused on the challenges of successfully bringing products to market. By contrast, my new mandate in Canada is Country Manager, a position which oversees all aspects of the company—including marketing. In terms of comparing France and Canada, I would say the similarities are quite simple. It is the same business with the same overall set of medicines and the same set of challenges. Since we work for a global organization, some decisions are made in New York and apply equally to global affiliates. However, the way we implement those decisions, as well as the process varies widely between Canada and France. For example, the labour laws in France are such that everything takes more time and everything you do has to be negotiated with unions. It is part of doing business in France and I would say that this is one of the main differences between France and Canada.

What are your key business priorities and objectives at Pfizer?

The key objective is to grow a business which is already a large enterprise with a \$2.1 billion a year revenue base. With that size, it's unrealistic to aim for a 20% growth, but single digit growth is certainly a realistic objective and that's what we're aiming for. We are currently growing at 6% to 7%, so we are on track, but the question is: how to keep growing the business? The answer is to continue launching new products and launch them successfully. Of course, some of our products are coming to the end of their life cycle so we can not rely on them for growth potential, but that too is a challenge to the entire organization. We have to make sure that we become more proactive, flexible and agile and that we understand and are focused on the evolving needs of our customers.

"Two minutes with Paul Lévesque"

5. What music do you enjoy and what would be your personal theme song?

This is a tough question because I like many types of music: jazz, alternative, classical, eclectic—just about everything. As for a theme song, there's a song on one of my CDs which features guitarist Steve Hackett playing 'Cinema Paradiso.' It's great.

6. What is your favourite wine?

This is a good question for a wine lover. Aside from family, sports and music, wine is my passion. My favourite wine would be a red Burgundy. No question.

7. What is your favourite sport? To play? To watch?

I played hockey when I was young but I would say tennis is the sport I like to watch the most.

8. Is there anything you won't eat?

Absolutely not. My wife is a superb cook. I rarely eat as well when I go out as I do when I stay home. I have to add that although I eat well, I also keep an eye on my waistline. After five years in Paris, I didn't gain a single pound. I'm very proud of that.

9. What was the last book you read?

It was *A Good Year* by Peter Mayle. It's about someone in the financial sector in the United Kingdom who gets fired and then finds out he has inherited a vineyard in France. I liked the fact that it was about wine.

Continued on the next page →

“Two minutes with Paul Lévesque”

10. What would be your ideal vacation?

Last year was pretty close to ideal. We spent two weeks near Montepulciano, a beautiful village in Tuscany. The average temperature was 36° and we had a small house with a pool which was just five minutes away from the village. It was fabulous.

12. What's the best advice you've ever been given?

Look ahead. We all have a tendency to focus on the past. I think we have to learn from the past and learn from our mistakes, but at the end of the day, I don't think you should dwell on it too much. When I was asked to move to France, at first I wasn't convinced it was a good opportunity because I had three young children just five years apart. It turned out to be the best decision of my life. I guess sometimes you have to leave what you are, in order to become what you could be.

13. If you could spend a day with anyone (dead or alive) who would you choose and why?

I'm fascinated by Canadian political history so my choice would be Pierre Elliott Trudeau. I think he was a unique Canadian and had a great personality, but he was also an enigma. There are many things he did when he was in office that I don't really understand. I'd love to hear him personally explain his views and his vision of the country.

Champix™ has just been launched in Canada. Has Champix™ become successful in all markets? To what do you attribute the success of Champix™?

Champix™ is a new smoking cessation treatment which I believe will be very successful. It was launched less than a year ago in the US. It has been out for a few months in France and the United Kingdom (UK). It is a bit too early to say how it will be accepted by physicians and patients, but rarely do we have the chance to launch a medicine that can have so much of an impact on health. We are talking about the ability to tackle one of the key cardiovascular risk factors. What is both interesting and challenging here is the way in which many doctors perceive smoking. Even though it is one of the single most important cardiovascular risk factors, a lot of doctors are not tackling it. Now we have a chance to say to doctors—and to provincial governments—that Champix™ is an important treatment option to help people stop smoking and a tangible way to address the healthcare costs associated with this risk factor. Champix™ is a true alternative, a new category of medicine with a new mechanism of action. So, our role will be to make sure that doctors and provinces understand what the drug is all about and ensure they get actively involved in considering this new option and prescribing it to the right patients at the right time.

Can you please give us an idea of what other products are in your pipeline and when you expect to market these products?

We have one of the most dynamic pipelines in the industry. That's not just a nice phrase—it's supported by the fact that we're the company investing the most money in R&D. We are investing \$7 billion per year in research worldwide and the medicines that we are developing are in a broad range of therapeutic areas. Pfizer's pipeline will be producing a lot of very specialized drugs and that is where we are being extremely active. Where we expect our pipeline to deliver is in oncology and in specialized disease areas. The most interesting Pfizer medicine that was launched recently is Sutent® which is prescribed for GI and advanced renal cancer and has demonstrated up to 45% efficacy. This is a good example of the type of specialized medicine we are developing. Pfizer expects to launch several new medicines in Canada in the near future. In addition to Champix™, we are very excited about the launch of Exubera™, the first inhaled insulin and maraviroc for HIV/AIDS.

You have recently reorganized your company to become more customer focused and less product oriented. Can you tell us more about this?

The healthcare system has evolved and the needs of physicians and other healthcare professionals have also evolved. As an organization, we needed to evolve in order to ensure that we are continuing to meet the needs of our customers. Pfizer has changed its internal structure to devote more time, attention and investment to creating partnerships. This is designed to focus more effectively on customer needs and to help Pfizer develop products which are in sync with customer needs from the outset. We want to and we will be partnering with more people than in the past. We are also going to bring more value to physicians. For example, instead of having several representatives calling on the same doctor for different products, we are going to have fewer product calls, complemented by value-added activities like disease management programs or other initiatives that will help the doctor to manage the patient's health and improve outcomes. We are deploying the same approach in the hospital environment. Traditional sales activities are being complemented with other value-added activities.



Pfizer Canada Inc.'s Leadership Team, from left to right: John Helou, Vice-President, Public Affairs and Stakeholder Relations; Allen Van der Wee, Vice-President, Sales; Frank Monteleone, Vice-President, Legal Affairs and General Counsel; Luc St-Pierre, Vice-President, Human Resources; Serge Roussel, Vice-President, Finance; Paul Lévesque, President and CEO; Guy Lallemand, Vice-President, Marketing/Therapeutic Areas; Dr. Bernard Prigent, Vice-President and Medical Director. (Photography by Ron deVries)

So, you can expect to see more initiatives in research, development and commercial partnerships in the future.

Many companies, including Pfizer, have established joint development and marketing agreements with other pharmaceutical companies. Do you foresee Pfizer getting involved in additional joint agreements in the future?

Pfizer is more than willing to partner at three different levels:

- research,
- development and
- commercialization.

This is not something new to Pfizer. If you go back 10 years, Pfizer was always willing to partner with a company which has a best in class or first in class drug. That led to us getting involved with Spiriva® as a treatment for chronic obstructive pulmonary disease (COPD) because it is the best in class and Pfizer wanted to associate itself with that type of venture. That is on the commercial side, but now you see Pfizer getting involved with biotech companies to develop research partnerships and you also see Pfizer getting involved with other companies in the development phase of some molecules. For example, Pfizer Inc recently announced a license and collaboration agreement with Genizon BioSciences, a Montreal-based biotech company, for diagnostic rights to Genizon's discovery program in Alzheimer's disease, attention deficit hyperactivity disorder and endometriosis. So you can expect to see more initiatives in research, development and commercial partnerships in the future.

What are the major issues that impact your business in Canada?

There are many issues, but two readily come to mind. One issue that is facing Pfizer and all research-based pharmaceutical companies is access to medicines and reimbursement. What is really becoming a barrier is the fact that Canada is making access to the best and latest drugs more complicated than ever before. You have an efficacy and safety evaluation that is done—and done well—by Health Canada. The problem comes after Health Canada's review and lies with the Common Drug Review (CDR) process, which reviews the drug and makes a recommendation in terms of provincial reimbursement, sometimes contradicting the decision of Health Canada and causing delays in access and duplication of scarce resources. To more and more Canadians, the role of this agency seems to be to equip provinces with a reason not to list drugs for reimbursement, which limits choice and negatively

impacts patient care. This is an extra level of bureaucracy that does not help anyone. Not only is the CDR making the review process heavier and less efficient but I think there's a negative aspect to this whole process, in that it is denying Canadians access to new and innovative medicines.

The other major issue is the threat from generic drug manufacturers. I don't think Canadians realize that Canada is a stronghold for generic companies. That's great for the generic companies and their shareholders, but it's bad for patients waiting for new and better drug therapies. The problem is that generic drug companies don't do much except copy drugs. I have no problem with that *per se*. I accept that when a patent has expired, it is over. The problem is that these companies have armies of lawyers who try to invalidate legitimate patents before they have expired and that is a big issue for us. As a result we spend a lot of time and money ensuring that our patents are safe and hold up until their expiry.

We are investing \$7 billion per year in research worldwide and the medicines that we are developing are in a broad range of therapeutic areas.

Pfizer strives to be an employer of choice. What differentiates Pfizer from other employers?

We are a company that develops its people. A lot of people have moved up in the organization and I am a great example of that. I started here in 1992 and have stayed ever since. Pfizer promotes from within. There are not too many companies that encourage people to diversify, but Pfizer does. Many companies simply say "if you are in marketing, stick to marketing" or "if you are in sales, stick to sales." We don't have that reflex at Pfizer. We support our employees, but can we do more? Yes and I am open to new ideas. That too is part of what makes Pfizer different. We are willing to listen to new ideas and try new ways to manage the organization and its people.

CPM