

Innovation, Speed and Growth: Hoffmann-La Roche in the Pharmaceutical Industry

CPM spoke recently with Ronnie Miller about how Hoffmann-La Roche stays on the cutting edge of the industry, and about Hoffmann-La Roche's commitment to providing education and information to physicians and consumers.



Ronnie Miller
*President and CEO of
Hoffmann-La Roche Ltd.,
Canada*

- *Your work with Hoffmann-La Roche has taken you from the United Kingdom to Switzerland to Japan and now to Canada. How does the pharmaceutical industry differ in each of these countries?*

Miller: I would say that my experience with Roche in Switzerland, Japan, the United Kingdom and Canada has given me a unique global perspective on the pharmaceutical industry.

For example, until recently Japanese firms dominated the Japanese pharmaceutical industry while foreign companies were not very visible. British companies dominate the pharmaceutical industry in the United Kingdom and Swiss companies, like Roche, dominate the Switzerland pharmaceutical scene. This contrasts with the industry in Canada, which is dominated by foreign companies.

Certainly, the pharmaceutical industry in Canada is blessed with very talented people and I've been very impressed with the high quality of the staff. Having lived in other countries, I will say that Canadians are very polite, almost to the point where they are shy about tooting their own horn or banging their own drum. I think it would be great if more Canadians played a global role with pharmaceutical companies to bring their skills and expertise to the international stage. With our global markets, I think it's important to keep a global perspective and not become too introspective or parochial.

- *Please describe Hoffmann-La Roche's structure, both inside of Canada and outside.*

Miller: Hoffmann-La Roche is one of the world's leading health-care companies and is truly glob-

Career Focus

Ronnie Miller traces his career path through the pharmaceutical industry to his current position as president and CEO of Hoffmann-La Roche in Canada

I began my career in the United Kingdom as a general practitioner sales representative. From there, I worked as a hospital sales representative and then accepted a series of progressive positions, including regional sales manager; product manager; director, sales and marketing for oncology; and national sales manager. I then took on the role as international product manager at Roche's head office in Switzerland.

Next, I moved to Japan where I worked for four years as marketing director. My next role saw me move back to Roche's global head office in Basel, Switzerland, to lead the global task force for Xenical® on strategies and tactics, including clinical, regulatory and marketing perspectives. Following that assignment, I moved back to the United Kingdom to take on the role as divisional director of pharmaceuticals. In April, I moved to Ontario to take on the role as President and CEO of Roche Pharmaceuticals in Canada.

al in nature. For example, we have over 54 nationalities represented at our head office in Basel, Switzerland. We have a global perspective on research, drug development and marketing. We work in diverse global business teams with representation from Roche affiliates throughout the world. Roche concentrates its efforts in seven core therapeutic areas and is known for its expertise in hospital markets.

Roche is distinguished from other pharmaceutical companies by its ability to offer integrated health-care solutions to our customers through the synergies achieved with our pharmaceutical and diagnostic divisions working

together. Roche Diagnostics is the number one diagnostic company in the world. By bringing together the expertise of diagnostics and pharmaceuticals, Roche is truly involved in predisposition, targeted screening, diagnosis, prevention, drug therapy and monitoring. This ensures that the right patient gets the right drug at the right time. This is truly a win for our patients, a win for Roche, and a win for the health-care system.

Roche has two head offices in Canada. Our pharmaceutical head office is located in Mississauga, Ontario. Our diagnostics head office is located in Laval, Quebec. We also have facilities for our vitamins and fine chemicals division

in High River, Alberta, and Cambridge, Ontario.

- *What keeps Hoffmann-La Roche competitive in today's market?*

Miller: Hoffmann-La Roche is kept competitive through innovation, speed and growth. We are innovative in our research and drug development and work quickly to bring new products to our customers.

Roche was in the forefront of biotechnology innovation when, in 1990, we established a relationship with Genentech, one of the most successful pioneers in biotechnology in the United States. This relationship has enabled Roche to bring forward new genetic therapies for breast cancer and non-Hodgkin's lymphoma.

Innovation in our diagnostics division has resulted in Nobel Prize-winning, Polymerase Chain Reaction (PCR) technology, which allows genetic material to be replicated in a test tube, and innovations in testing and monitoring for diabetes and screening for viruses.

- *How does Hoffmann-La Roche maintain its high level of employee morale?*

Miller: First of all, I believe it's important that people at Roche have fun at work and enjoy what they do. Scottish people, like myself, are known for their fun and outgoing nature! Secondly, at Roche we value and reward team-



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work, innovation, speed and growth. Being leaders in health care and on the cutting edge with new discoveries keeps our employees interested in striving to do the best for our customers.

- ***Tell us about products you have recently launched or are about to launch.***

Miller: Roche was very active in 1999 and 2000, launching five new products. These included Xenical®, a breakthrough in treatment for unhealthy weight and obesity; Tamiflu®, the first oral

flu pill for all strains of influenza; Herceptin®, the first genetic therapy for breast cancer; Rituxan®, the first biotech product for non-Hodgkin's lymphoma, and Xeloda®, the first oral chemotherapy. Our work in oncology has made us one of the recognized leaders in the field.

Roche has exciting products in the pipeline for virology, oncology, AIDS and heart disease.

- ***What new initiatives are Hoffmann-La Roche taking with respect to communications with physicians?***

Miller: I strongly believe that one-to-one visits between our sales force and physicians is still the most effective way to share information and communicate with our customers. At Roche we work to ensure that visits by our sales force to our customers are the most effective they can be.

One of Roche's innovative programs for physicians is our partnership with the University of Calgary, where we have established a leading-edge program, driven by the university, to share information with physicians.



Genetic and genomic research, which result in targeted medicine and patients getting what they need, is truly the future.

At Roche, we recognize the ever-increasing demands on the time resources of physicians as they try to meet the needs of their patients. We are implementing programs to help physicians with this challenge.

One example of this would be Roche's Bodywellness support program. This patient support program, for those taking Xenical®, provides a 24-hour telephone support line where callers can have access to registered nurses for

advice on nutrition and other healthy lifestyle issues. The Body Wellness program also offers access to registered dietitians and the most up-to-date information available. By referring patients to this program, Roche offers physicians a potential solution to their time and resource challenges in providing care to their patients. Through this program, Physicians can have confidence that their patients are getting the ongoing counseling, advice and support that they need.

• *What are your views on direct-to-consumer (DTC) advertising?*

Miller: I think it's important to realize that direct-to-consumer advertising is not a local issue anymore. With the explosion of information available to consumers through television, the Internet and other avenues, consumers are able to access information from around the world and are better educated than ever before. This availability of information has also shifted the paradigm of communications between health-care professionals and their patients.

In my opinion, providing consumers with information, so they can become better informed and educated on health-care issues and advances that matter, is very important. Right now Canadians access information from outside their own country. Wouldn't it be great if the information Canadians are looking for and the information they find reflected the reality



of the country in which they live? DTC is not parochial and I really think it's only a matter of time before government responds to Canadians on this issue in a way that truly addresses the needs of the public.

- *What is your opinion of the changing role of the pharmaceutical industry?*

Miller: I truly believe the role of the pharmaceutical industry is changing as we work to better meet the needs of our customers. Traditionally, we focused on physicians, but we now recognize that our customers are diverse and include health-care professionals, pharmacists, patients, advocacy groups, government (both politicians and civil servants), etc. The recognition that our customer base is broad puts increased pressure on the industry to listen and respond to their needs.

I also believe that with advances in medicine and treatments, the role and importance of drug therapies in our health care system will only grow. I believe that it's up to us to demonstrate value to our customers and work to ensure optimal drug therapy so that the right patients get the right drugs at the right time. It's in all of our best interests to make this happen.

- *What impact, if any, have the mega-mergers in the pharmaceutical industry had on Hoffmann-La Roche?*

Miller: The mergers and mega-mergers have changed the face of the industry. I think though that it's a bit early to determine the actual success rate of these mergers. Bigger doesn't necessarily mean better but it does create greater demands on the mega-companies to launch enough products each year to bring value to their shareholders.

I also think it's important to realize that companies don't have to be big to be innovative. The question remains whether traditional pharmaceutical research will result in products patients need and ultimately, bottom line results for the companies. I truly believe that innovation, the speed at which companies bring products to market and their ability to grow will determine the rate at which companies succeed.

Genetic and genomic research, which result in targeted medicine and patients getting what they need, is truly the future. With Roche's partnership with biotech leader Genentech and the synergies with our diagnostics company, we are already there.

- *What does the future hold for Hoffmann-La Roche, both here in Canada and abroad?*

Miller: As one of the leading health care companies in the world, Roche's future in Canada and globally is very bright. We currently have 163 projects in research and 70 projects, including 35 different molecular entities, in development. We are leading the way in innovative research. With our diagnostics and pharmaceutical divisions working together, we are truly involved in determining the predisposition of patients to disease, targeted screening, diagnosis, prevention, drug therapy and monitoring. That makes us unique.

Over the last two years, we launched five new products and were involved in sound research in areas such as oncology, virology, HIV/AIDs and cardiovascular disease. This research will bring forward valuable new treatments for patients. We appreciate the difference that our research and treatments make in the everyday lives of our patients. Innovation, speed and growth are what Roche is all about. Setting these goals helps us to meet the needs of our customers today and tomorrow.

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