

17 Aug 2016 |

Lilly's European Medical Director On Brexit And Fair Value Assessments For New Drugs

by

Eli Lilly & Co.'s Greg Van Wyk, senior medical director for the UK, Ireland and Northern European, talks Brexit furor, the benefits of combining contrasting business units from different countries within a big pharma and why high drug prices need proper explanations to avoid innovation stalemates in certain therapeutic areas.

Eli Lilly & Co.'s senior medical director for the UK, Republic of Ireland and the Northern European cluster, Greg Van Wyk, speaks to *Scrip*'s Lucie Ellis about how the company is addressing Britain's impending exit from the European Union and why explaining controversial drug pricing to the wider public is important to him.

In this latest edition of *Scrip*'s executive profile series, Van Wyk highlights the four key roles he holds at Lilly and how he creates synergies across multiple business units within the big pharma. He also discusses how growing up in apartheid South Africa and carrying out his medical internship at a penurious Johannesburg hospital influenced his journey into the life science industry.

Q Lucie Ellis: You have risen to a leadership position in your field. What's aspect of your personality do you think has help you get here?

A Greg Van Wyk: I'm comfortable committing to a course of action based on moderate probability that it is the correct choice, but I am also able to learn and adjust quickly. Every action has an equal and opposite reaction and I think you learn a lot through this process and update your thinking. As a leader you move much more quickly to your result or intended destination if you take a chance rather than spend too much time working out if you are absolutely right before you get going. Of course you have

to be able to accept when you might make mistakes and allow those to be pointed out to you. Accepting when you might be wrong is a management trait I think all good leaders need to learn as they go. It is certainly something I have learnt.

Q Can you tell us a bit more about your current role at Lilly and what it involves?

A I essentially play four roles as the senior medical director for the UK, Ireland, the Nordics and the Baltics. I have direct leadership accountability for the medical components of our biopharmaceutical units in these regions. Secondly, I provide a natural home for Lilly's vast medical teams across different therapy areas, such as diabetes and oncology, providing a sense of belonging to these team members even though reporting structures may vary and be outside of this hub. Thirdly, I am a member of Lilly's cross-functional hub leadership team, so I share responsibility for delivering our business objectives – be those employee satisfaction, customer satisfaction or financial results. Lastly, I am a member of our European medical affairs leadership team. In this I share responsibility for driving our strategic agenda to leverage medical affairs to create a competitive advantage relative to our peers.

I was working in Australia in a similar role until mid-2014 but I had always wanted to live and work in Europe; as luck had it this role came up.

Q How do you tie these four job roles together?

A I have spent the better part of the last 18 months de-linearizing those key components and figuring out how to bring the four positions together in a way that makes sense. Some parts of the role require a shared vision while other bits need us to work together operationally. I have teased this role apart and set in place structures that help me run these various units harmoniously. I was also charged with bringing in some new talent and I am very pleased with some of the very smart people we have brought in from other companies.

Q With responsibility for activities in the UK, Ireland and Northern Europe, how has the Britain's decision to leave the European Union affected your day-to-

day work?

A Not a great deal has changed for us immediately, I think it will take some time and really we are waiting for the UK to trigger Article 50 and to make decisions regarding access to the common market, legislation and relations. It is still early days. Some of the currency fluctuations are probably going to have some impact, but we aren't expecting any big changes soon. As a life science company we are most concerned with being able to access the talent we need, some talent is scarce or unavailable directly in the UK and indeed there are opportunities outside of the UK for people that may have started their careers here. The other big issue for us will be the outcomes on regulatory frameworks: we need good intellectual property protection; and I worry that too many regulatory hurdles might push the UK to the back of the queue when it comes to new drug registrations.

'The immediate Brexit aftershock has played out largely as expected; there was the initial panic and now a bit of over-confidence creeping back in'

Q Recently, opinions have leant towards Brexit not all being doom and gloom for life sciences in the UK. What do you think about this?

A The immediate aftershock has played out largely as expected; there was the initial panic and now maybe a bit of over-confidence creeping back in. A great deal will come down to what Britain's relationship with the EU will look like and also how quickly it can get there. Having currency depreciation can be a good thing and I do think this situation could leave Britain as a slightly more attractive market, especially for manufacturing as an example. There could be other advantages but only time will tell.

Q

What were the key things that shaped you when growing up?

A I have always been really grateful that my parents prioritized the education of me and my sister when we were growing up. They encouraged us to think and to challenge the status quo, and this has changed how I approach decisions. We grew up in apartheid South Africa but my parents did whatever they could to give us a multicultural view of the world. We went to non-segregated Catholic schools which gave us opportunities to make friends with people from all racial backgrounds. This made a big difference to who I am today. We also learnt the value of a dollar and what it took to earn, and the importance of managing finances.

Q What are your own long term aspirations?

A I am motivated by productivity and innovation, a job well done is valuable independent of the outcome. I would like my long-term career to continue taking me down a path of adding value to society. The more directly I can be involved the better, whether that is bringing new technologies to people or adjusting the way we bring these products to patients – be it cheaper, easier, or just more available. I also have two young daughters and I would like to set them up on a trajectory to enable them to be happy, successful and socially minded people.

Q If you were starting over what's the best bit of advice you would want to give to your younger self?

A Don't be too serious. Things generally have a way of working out so enjoy life sufficiently along the way.

'I admire the work Andrew Witty has encouraged at GSK in bringing medicines to more people. He has really focused on a lower margin, higher volume strategy'

Q Who do you admire in the industry, and why?

A I could talk at length about our CEO, John Lechleiter, who has helped the company navigate some challenging times with what has been considered as quite a high risk strategy for innovation, but in the interest of being less parochial I will focus on someone outside of the company. I had the opportunity to see GlaxoSmithKline PLC's CEO, Sir Andrew Witty, present at an industry meeting in Australia – and I was impressed. I admire the work he has encouraged in bringing medicines to more people. He has really focused on a lower margin, higher volume strategy. Some of the work as a result is brilliant; GSK is looking at malaria therapies and has already made a great difference in how HIV is treated. Coming from Africa, these are medicines that are much needed. Despite coming under criticism from shareholders, Witty has stayed true to this aim and that is admirable. He inherited some tough situations and the shareholders have a loud voice but there are other stakeholders in the mix.

Q Tell us something surprising about you.

A When I was a youngster we used to go to the national game parks a lot and I wanted to be a game ranger at one point. What is surprising about that is I'm a city slicker now and the idea of going out getting dirty in the bush and sleeping in a tent is not exactly my cup of tea.

Q If you weren't a pharma executive, what would you be?

A I wouldn't be a game ranger. I think I would be in public health possibly with a tie to academia.

Q What is your proudest professional moment so far?

A When I was working in Australia we had an injectable molecule, olanzapine, in development for the treatment of schizophrenia that we knew would likely not be used in a great number of patients and that it would be a challenge to get to market. It required substantial effort from the product team and me to push to get that drug to market. Our rationale was that while the number of patients might be few, this

treatment would be their only option. We pushed hard and got the drug to market and it has been a bit of a surprise in terms of its utilization – more importantly though I still get a kick out of every patient story I hear for those that had run out of options. It's the hardest I have had to advocate for patients and this drug has made a real difference.

Q And what about your most difficult moment?

A I did my internship in a large, poorly resourced hospital in quite an impoverished area in Johannesburg, which meant my colleagues and I were largely left to our own devices. For the most part we muddled through okay but sometimes we made mistakes and patients suffered as a result. Those are the low points in my career and some moments still stand out in my mind. This impacted my ultimate career decision and saw me move to healthcare systems where the general quality of care is better. Still, I was very motivated by this experience.

Q Tell us about one change you effected in your organization that you believe was invaluable?

A In my current role I deal with the UK and the northern European cluster, including the Nordics and Baltics, and traditionally these areas operate separately and are independent. But shortly after arriving in the UK there was a challenge I solved by merging the biomedicine components across these two hubs. This allowed for synergies and best practice-sharing opportunities. The UK leaders got to benefit from their northern European counterparts' ingenuity and in parallel the latter got to experience British resilience and process and project management. This cross-integrated function worked really well.

Q What is top of your bucket list?

A I have the yearning to produce some piece of literature, a thesis or a novel. The kind of title I have in mind is: Why Do People Do What They Do And Can We Predict What They Will Do Next? It's a grandiose idea. A close second on my list though is to own a kayak and be close enough to a body of water in Sydney someday to be able to go out

on the water on a daily basis.

Q What current trend in your field would you highlight as the most exciting and why?

A I'm really excited about big data, predictive analytics and machine learning. The promise of these tools for diagnostic accuracy, selecting sequencing for therapies and even continuous real-time dose adjustment is massive. It's incredible. In this area at the moment we are seeing a struggle of individual versus group. On the one hand you have individual data privacy and on the other you have the common good. As a society we need more guidance on when it is appropriate for individual information to be utilized in a pseudonymized way for the betterment of the wider public. This is the key challenge I think, not the technology development itself.

Q What is your favorite book?

A I have two. The book that has most impacted my world view is called *The Spirit Level: Why Equality Is Better For Everyone* by Kate Pickett and Richard G. Wilkinson. It nails the argument that wealth and equality is corrosive for people in terms of health outcomes.

The book I enjoy most though is called *A Short History Of Nearly Everything* by Bill Bryson. As a kid I always thought it would be cool to write a book that summarized all of human knowledge in a digestible way and this book almost manages that. The writing style is great and I always recommend it to people.

'If I asked you to take out \$1bn debt today and told you revenue streams would start in three years and might last for 10 years, what would you expect to be paid each year? The price needs to be substantial'

Q Tell us one myth about the industry you would like to set straight.

A This is not so much a myth as it is a misunderstanding and it's the debate on what constitutes a fair price for a medicine. Some say it doesn't cost that much to produce medicine or to develop a new medicine. Others have sophisticated arguments that look at the value of a new medicine compared to the price of other medicines already on the market. But for me, while these are important factors, people often miss out the element of risk. Developing a new medicine is risky and the ultimate price has to accommodate for that jeopardy, otherwise originators will shelve new technology. I always put it this way: if I asked someone to take out a billion dollar debt today and promised them an income stream that would start in three years' time and maybe last for ten years depending on how successfully the patents hold up, what would they expect to be paid every year? When you factor in other effects you can understand why the price needs to be substantial. Lack of incentives eventually show themselves to the wider public and this is something we are seeing now in antibiotics. The public is starting to realize that we are in a sticky situation in terms of the resistant bugs we have today. So I worry and often think about what situation there is today that could be prevented from developing into a crisis in twenty years' time. The risks associated with trying to get a new medicine to market have to be taken into account for pricing of new products.