

Calibrate - Vice-President Strategic Projects at Novo Nordisk

Interview conducted on May 11, 2023

Topics

Novo Nordisk, GLP-one, Obesity Treatment, Virtual Clinics, European Markets, Semaglutide, Liraglutide, Patient Support Programs

Summary

A Tegus Client is interested in the GLP-one virtual medical weight loss space in Europe and seeks information from the Vice-President Strategic Projects at Novo Nordisk. The expert discusses their experience in the field, including a shift towards a more multichannel digital and cross-functional approach to customer engagement. They note that Europe is at a later stage of obesity market development but there is still a willingness to pay for obesity products, particularly in out-of-pocket markets. The expert suggests France and Germany as potential markets with room for growth and mentions potential regulatory risks and pushback on online prescriptions. However, they note that the safety of the drugs has been proven and there is potential for out-of-pocket payments in Europe.

Expert Details

Vice-President Strategic Projects at Novo Nordisk. Expert is familiar with various market types in EU, UK and Switzerland, as well as some of the regulatory constraints.

Vice-President Strategic Projects at Novo Nordisk. The expert is responsible for a global project on customer engagements and focuses on digitalization and an overall review of how future customer engagement will look.

Expert has also held CFO roles at Novo Nordisk in Algeria and Brazil and has experience with emerging markets in Latin America specifically.

Q: Can you speak to the medical weight loss space in Europe? If so, are you knowledgeable of drug supply/strategy and regulation? (please elaborate in 1-2 sentences)

A: Yes, I work today for NovoNordisk where Weight Loss is a key area - we currently have 2 GLP-1 products on market in Europe, and I familiar with various market types in EU, UK and Switzerland, as well as some of the regulatory constraints.

Tegus Client

Hello, thanks for taking the time. I'm looking at the GLP-one virtual medical weight loss space in Europe. So I would love to just learn a little bit more about your background as it pertains to GLP-one and weight loss specifically.

Vice-President Strategic Projects at Novo Nordisk

Sure. So I work for Novo Nordisk, the Danish company, leader in diabetes and also today, they have launched, of course, the two main GLP-one products, and Wegovy. I've worked as a CFO in Algeria and for Latin America. And more recently, I was GM in Chile, where I actually launched Saxenda on the Chilean market.

And now I'm working on a commercial excellence transformation project based for the what's called international operations, which is basically the whole world except U.S. and Canada, and I have been quite extensively involved in some of these projects in Europe, namely U.K., Netherlands, a bit of Switzerland and Spain.

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Tegus Client

That's super helpful. And can you expand on just your experience in the U.K. and specifically walk me through just your role there and the project that you're working on?

Vice-President Strategic Projects at Novo Nordisk

Yes. So the project is basically looking into the new commercial model of tomorrow. And basically, we were rolling out a project to create road maps for future customer engagement model mixing, basically trying to change the model from the traditional face-to-face boots on the ground to a more multichannel digital and cross functional elements.

Tegus Client

Can you expand on that? So that means instead of just being the prescriber, they're creating plans for patient engagement? Or is that not correct?

Vice-President Strategic Projects at Novo Nordisk

Yes. So actually, that was one part of the project, which was to define who the customer is in the future. And I would say in the old definition that we had, internally customers mostly GP, and we have expanded the definition of what a customer as to also in global patients and any other stakeholders, like a payer, also the HCPs. So there are many projects today that are linked to engaging with patients, not so much, I would say, on advertising a product but more on behaviors as well as disease awareness.

Tegus Client

And in terms of just overall marketing budget and concentration for this strategy, what percentage would you say is focused on direct-to-patient engagement versus selling through other channels like GPs and payers, specifically in the U.K?

Vice-President Strategic Projects at Novo Nordisk

Yes. So I wouldn't have the exact number. But in my experience, I would say that today, it still would not be the main focus today, but there is a growing interest. I would say that today, it's between 10% and 15% for patients.

And if I could just maybe elaborate a bit more on that, there are two ways that we traditionally engaged with patients. One is through the patient support programs we have in many countries, which traditionally has been much about the education on disease plus education on injection systems that we have. And then there's a second leg, which I think is developing much faster, which is much more digital and web-based tools or services that we would provide patients with information on the disease.

Tegus Client

Got it. And given your experience working at many different parts of the world, specifically around GLP-one for weight loss, can you compare and contrast just the U.K. and Netherlands versus, say, the U.S., LatAm. Would you say it's about a year behind the rest of the world?

Vice-President Strategic Projects at Novo Nordisk

That's an interesting question. I think what we've seen and what the market shows is that U.S., of course, is the main market by far. I mean that's probably no secret. And that's where, of course, most of the businesses are.

Actually, there's a bit of a shift in focus. Since we used to be a very diabetes-focused company where the rest of the world was looking onto Europe for inspiration on launches and growth, et cetera.

Today, it's the contrary, actually, obesity that when we launched the obesity products outside of Europe and LatAm in particular, where we've actually seen a huge success there. And now Europe is looking onto these different areas for inspiration. So I would say Europe is a bit at a later stage of the obesity of the obesity market development definitely.

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Tegus Client

Got it. I was curious about how you think about the market. Obviously, one in Europe there was much of a larger public health care players, such as the NHS in the U.K. And how you think about what this market will look like in five years because of something like the NHS versus in the U.S.?

Vice-President Strategic Projects at Novo Nordisk

Yes. So I think that there's a huge opportunity in Europe. Of course, NHS and some of the public spending elements are there. And I would say that some of the recent trials that are coming out that show that our obesity products are not just usual weight loss but also for kind of a general metabolic benefits like HbA1c reduction as well as cardiovascular benefits.

So there are arguments to pave the way for broader reimbursement on the European market. But I also think, and sometimes we tend to forget the whole out-of-pocket elements. And that's where my experience in LatAm and the success we've had in LatAm is more based on out of pocket.

And I think that there's a willingness to pay for obesity products that is maybe much higher than other types of products, if that answers your question. So there is, I think, even in the out-of-pocket scope in Europe, which traditionally is more, of course, of a reimbursed market. I think that there is definitely opportunity in the out-of-pocket elements or markets in Europe, if that answers your question.

Tegus Client

Got it. I've heard from other commentaries in the industry that there might be some willingness to pay on the payer or maybe national side, but that's like as a direct quote. If there becomes broad-based reimbursement, this medication is so expensive that I could think these payers and national health plans, do you feel like cost point, how many people would be utilizing these programs and medications. Like what is your response to like a broad-based commentary that we heard of like actually lack of willingness from the payer perspective to reimburse?

Vice-President Strategic Projects at Novo Nordisk

Yes. So I agree with that comment that the broad base of reimbursement, I think that will be a much longer-term element. But again, with some of the data that's coming out for maybe specific types of patients with morbid obesity or obesity with many different types of comorbidities, then I think that there would be an opportunity.

But again, I think that in Europe and the European market specifically, I do think that we need to go out of the reimbursement mindset and think a little bit out of the box and think more into this out-of-pocket scope because, again, I think the willingness to pay for an obesity treatment is probably much higher in an out-of-pocket market in Europe than it would be for a diabetes product or whatnot. And that I think would be the argument and kind of maybe the shorter-term opportunity before maybe the broader reimbursement kicks in.

Tegus Client

And just one question on the reimbursement side or more so of the national care providers. Do you foresee them reimbursing medication just on its own? Or do you think this will always be part because obviously, so much of what we read about is the weight being regained after the two years, and I think NHS, for example, has a mass success. Do you think they'll only cover it when it comes encompassed with a larger lifestyle change? Or do you think they will just cover the medication alone?

Vice-President Strategic Projects at Novo Nordisk

That's a good question. I mean I would say that they would probably definitely link it to the broader obesity lifestyle change. And that's also, I would say, the label that we have as well is really that it should be linked to a lifestyle change, especially.

And I think you rightly say because of the annual cost of this type of treatment, then I would think that they would try to control as much as possible and have checkups at least have several check-ins during the year

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to see that people are actually really applying the lifestyle change.

Tegus Client

In terms of different channels for acquiring the prescriptions, which ones would they be the most prominent in the U.K. and Denmark. And do you think there's room for virtual weight loss clinics similar as a similar playbook to what we've seen in the U.S. with the Calibrates and the founders of the world.

Vice-President Strategic Projects at Novo Nordisk

Yes. So I think that's a really good question because that's definitely an area that's being explored. I would say you can check also in the U.K. on some of the deals that are public today with some of the pharmacies or the pharmacy chain.

So the answer is yes, there is opportunity, and there are some that we are already pursuing today. And we're actually seeing some pretty good uptake, especially in U.K. and I also think in Denmark, but also in Germany, you can take a look at Germany as well, where there have been a couple of experiments there.

Tegus Client

And just to clarify, that would be a partnership with Novo and a pharmacy, a physical pharmacy?

Vice-President Strategic Projects at Novo Nordisk

Yes. So either a pharmacy chain or eventually also a virtual clinic. So there are both examples. There are both examples where, for example, U.K., there's a model where there are virtual medics that are actually prescribing or getting I would say, having a virtual appointment and then prescribing the drug, for example.

Tegus Client

And do you know in those models, if they provide more holistic care like dietitian, nutrition counseling like we discussed or it's just purely for prescription?

Vice-President Strategic Projects at Novo Nordisk

I believe so. I believe it's a holistic approach. I think it depends on the package maybe. But again, we do have also our patient support programs that today go a little bit beyond, in many cases, just delivering education. In some cases, I would say, even Novo Nordisk also provides psychological as well as nutritional support.

Tegus Client

Got it. And so for those virtual medic programs or the pharmacies that you guys are working with because it's becoming increasingly popular, there are so many new people that want access to the drug. Do you foresee a new digital entrant like a start-up being successful entering this market, given that there are so many incumbents that are also trying to create virtual solutions?

Vice-President Strategic Projects at Novo Nordisk

I know a couple of these types of companies, not necessarily in Europe, but in other parts of the world. And I think that there's a growing need. And so yes, again, in my humble opinion, I do think that there is so much unmet need. I mean, I think you must realize that we're barely scratching the surface of the potential. So I think there's room for many, many, many more competitors in kind of the obesity service field. No doubt about that.

Tegus Client

Specific to Europe, are there specific markets that have the greatest need and least amount of access?

Vice-President Strategic Projects at Novo Nordisk

I think France could be one of them. It's not necessarily the easiest market, but there's definitely a huge potential there because I'm not so sure that there's a lot going on there. I could also think of Germany where

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there's also probably a strong need. I know that there have been a couple of experiments. But again, there's definitely room for many more. I would say those two main markets would be the one that I have in mind and eventually Spain as well.

Tegus Client

From a regulatory standpoint, because there is so much demand for this and such limited supply, do you foresee any changes in prescription requirements or patient eligibility to kind of limit how much GPs or pharmacies are giving out to patients who might not necessarily meet the BMI 30.

Vice-President Strategic Projects at Novo Nordisk

That's a really good question. I mean, of course, if you take the public and we were mentioning before, kind of the public payer system, then I think a little bit back to the comments we were making before, I would say, definitely, yes, for the out-of-pocket go, that I'm not so sure. I don't even know whether it would be possible or not. But yes, so I would say, public payer reimbursement, out of pocket, I'm not so sure.

Tegus Client

Are there any other regulatory risks that we haven't covered so far that you think are worth noting?

Vice-President Strategic Projects at Novo Nordisk

Not to my knowledge.

Tegus Client

Got it. Do you think there'll be any pushback in terms of kind of what we've seen in the U.S. around cerebral with ADHD medication, our thesis is because there's something quite obvious here that proves obesity or not BMI versus ADHD. But do you think there could be pushback on online prescriptions versus needing to be go in and see a physical GP?

Vice-President Strategic Projects at Novo Nordisk

That's a good question. I haven't thought about it. I mean, if you take the drug itself or at least the ones that exist today, there are already so many patients on it that we haven't seen any kind of specific, very serious adverse events. So I would say, the safety of the drugs are proven. I mean, if we go into the aspect of eventually limiting that, again, I wouldn't know.

Again, if we're talking reimbursed maybe, if we're talking out of pocket, there is so much potential. Again, we've only scratched the surface of the number of patients that were actually needed that in the out-of-pocket scope, at least, I wouldn't see any specific limitations or anything on that side, at least to my knowledge right now.

Tegus Client

And specifically around the safety of the drugs, can you comment on just short-term versus long-term side effects and limitations of the clinical trials because it's only been in market for a very short period of time?

Vice-President Strategic Projects at Novo Nordisk

Yes. So right now, the two molecules that are on at least the drugs that I'm aware of and that I know well, the molecule has been already commercialized for at least 10 years for 1 and 6 to 7 years for the other.

And that was more for the lower dose diabetes. So we started already when we launched obesity for both of the products that we have, there were already millions of patients. So the most significant side effect short term is nausea and kind of gastrointestinal issues, but those are completely linked usually to the dosage and to kind of the dose escalation to kind of the full treatment paradigm dosage.

I mean, at least on a significant scale, these are the only kind of short term. And then longer term, there have been no very severe adverse events in a notable proportion. So the safety of the drug in at least of the two Novo Nordisk drugs has been greatly proven. I'm not so aware of our competitors' drugs or the future

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competitor ones, but that's my knowledge at least.

Tegus Client

And is that semaglutide or what are those two molecules?

Vice-President Strategic Projects at Novo Nordisk

Semaglutide and liraglutide, which are the two GLP-one molecules with Victoza being the diabetes products of liraglutide, Ozempic being the semaglutide for diabetes. And then Wegovy being semaglutide obesity and Saxenda being liraglutide obesity.

Tegus Client

Got it. And then just in terms of pushback from a regulatory perspective because a lot of patients from what I've seen in clinical trials do gain weight after going off of the drug. They don't have any other intervention, nutritional guidance, fitness changes, et cetera. What do you think in terms of willingness to pay, like do you think that people will stay on this for six-plus months to one, two, three years? Or how do you think that will evolve as we get more people on to the drug?

Vice-President Strategic Projects at Novo Nordisk

Yes. That, I think, is one of the biggest questions we have and adherence is definitely the biggest puzzle or the biggest challenge, which I think is it's the same for all of us. I think the more we know and the more I would say we see kind of success cases of patients on the long run, the more I think people will see the added benefits of long term.

But yes, I would say that's still one of the bigger challenges that we're definitely, I would say, still working on. I think the more we package services around kind of the drug usage, the more we, I would say, link it to not just the drug itself, but kind of everything that goes with the patient, the more we will work on adherence.

And that's the experience we've had in Latin America, at least when we've done some of our patient support programs, where we have seen more adherence when you add on more nutrition support, et cetera, et cetera.

Tegus Client

This is super helpful. Anything that we didn't cover here that you think is worth mentioning? In the context of GLP-one virtual weight loss clinics in Europe?

Vice-President Strategic Projects at Novo Nordisk

No. Again, I'm pretty sure that there is much more of a willingness to pay the out-of-pocket aspects than maybe there is on other therapeutic areas. And I wouldn't disconsider the out-of-pocket in Europe, even though, of course, it is a heavily reimbursed market, but not a huge culture of out of pocket.

Tegus Client

Got it. Thank you very much for the time. Appreciate it.

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