

Jeff Stewart, MD of Abbott UK, talks to *Mark Greener* about why diversity is at the heart of the company's success

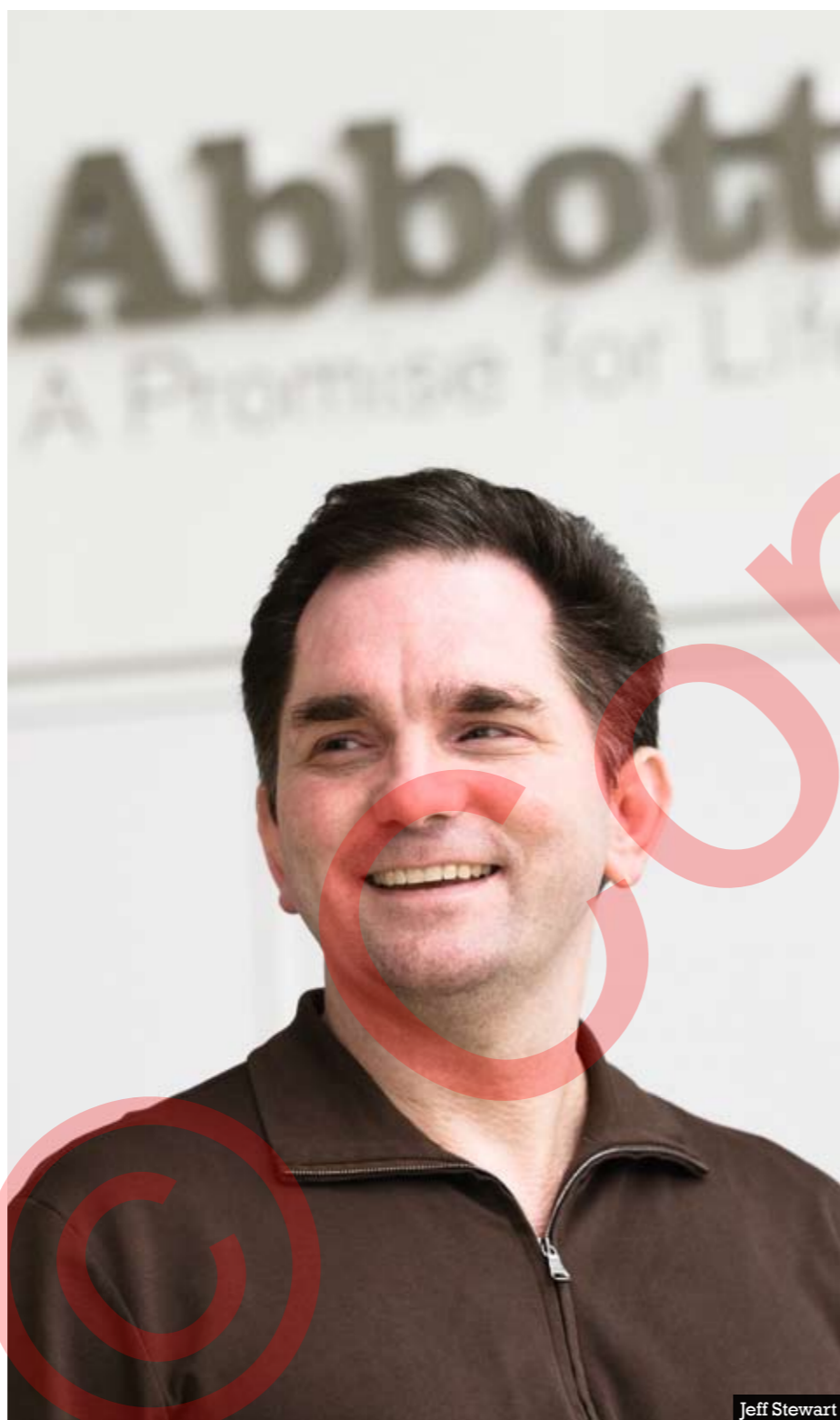
# DIVERSITY IS

“Diversity has helped us become one of the fastest growing healthcare companies in Europe,” says Jeff Stewart, Managing Director of Abbott UK. But Abbott is the first to admit that you might not appreciate the scale of its success.

However, with Jeff's appointment in late 2007, the company is looking to raise its external profile by maximising its achievements. “People frequently tell me they didn't realise we had embraced a diversified business model, working across the fields of immunology, HIV, obesity and paediatrics, laboratory and molecular diagnostics,” says Jeff, who joined Abbott UK after working for Abbott in the USA and TAP, a joint venture with Takeda, for more than 16 years.

“Moreover, they weren't aware that we're always looking to the future, that we're constantly developing our customer offering so we stay ahead of the market, and that we employ a diverse range of people,” Jeff adds. “People who join with a background in pharma, for example, are often pleasantly surprised at the opportunities, challenges and prospects in nutrition, diagnostics or devices – and vice-versa. After joining Abbott, your career can progress by moving along sometimes previously unexpected routes.”

In the past couple of years, the company has undergone a major corporate rebranding exercise to bring all its businesses under the Abbott name and its *“Promise for Life”*. This not only emphasises Abbott's strength in diversity, but is also helping to highlight the potential synergies between divisions. “For example, the linkage of molecular diagnostics and therapeutics is an increasingly attractive strategy to support the specialist products supplied by the pharmaceutical division,” Jeff comments. In the shift towards more targeted, personalised medicines, for instance,



Jeff Stewart

# OUR ETHOS

molecular diagnostics uses genes or other biomarkers to predict which patients are likely to respond to a particular treatment or might be especially prone to developing adverse events. “Having the ability to offer both molecular diagnostics and a novel therapeutic to our customers can be a real strength of our business model,” Jeff adds.

### Market opportunities

Abbott is particularly proud of its fully human anti-TNF (tumour necrosis factor), which Jeff refers to as “a pipeline in a product”. It is licensed for adults with moderate to severe rheumatoid arthritis,

*‘We're constantly developing our customer offering so we stay ahead of the market’*

psoriatic arthritis, ankylosing spondylitis, Crohn's disease and psoriasis. “Because TNF underlies the inflammation that causes so many serious conditions, the treatment is eminently scalable,” Jeff remarks.

RA and other rheumatological conditions will this year account for 90% of Abbott's immunology sales, with the remainder split equally across psoriasis and Crohn's disease; this mix is expected to shift over time. “There is considerable room for growth in many of these markets,” Jeff says. “For example, up to 240,000 people suffer from severe psoriasis in the UK,<sup>1,2</sup> but many don't present for treatment.”

To meet the challenge of the fiercely competitive anti-TNF market, Abbott “focuses on patients' needs” by, for example, offering formulations with simple dosing regimens that can be self-injected – after appropriate training

– or delivered by nurses at home. While Abbott ensures cost-effectiveness according to current NICE criteria, it also funds local UK research to generate and articulate a compelling argument for including wider cost analyses in the assessment of its products.

“As the number of novel specialty drugs rises, NICE should consider the societal costs as well as direct expenditure when evaluating agents,” Jeff says. “Abbott is a key stakeholder in the delivery of innovation to patients, so it is also our responsibility to provide data that demonstrate the value of these innovations to the NHS and society as a whole.”

Abbott's other pharmaceutical products include an anti-obesity medicine, one of the first protease inhibitors for the treatment of HIV/AIDS, and a humanised, monoclonal, anti-RSV virus antibody. And Jeff is equally proud of other Abbott product areas: Abbott Vascular recently attained FDA approval for its Xience V drug eluting stent, while Abbott Diabetes Care last year received European CE Mark approval for FreeStyle Navigator, its continuous glucose monitoring system.

### Meeting patients' needs globally

Abbott's pipeline is deep and diverse, with new treatments for several major cancers, schizophrenia, dementia and hepatitis C planned over the medium- to long-term. “Our R&D efforts are focused in the specialty marketplace where our innovations can deliver against significant unmet clinical needs,” Jeff remarks.

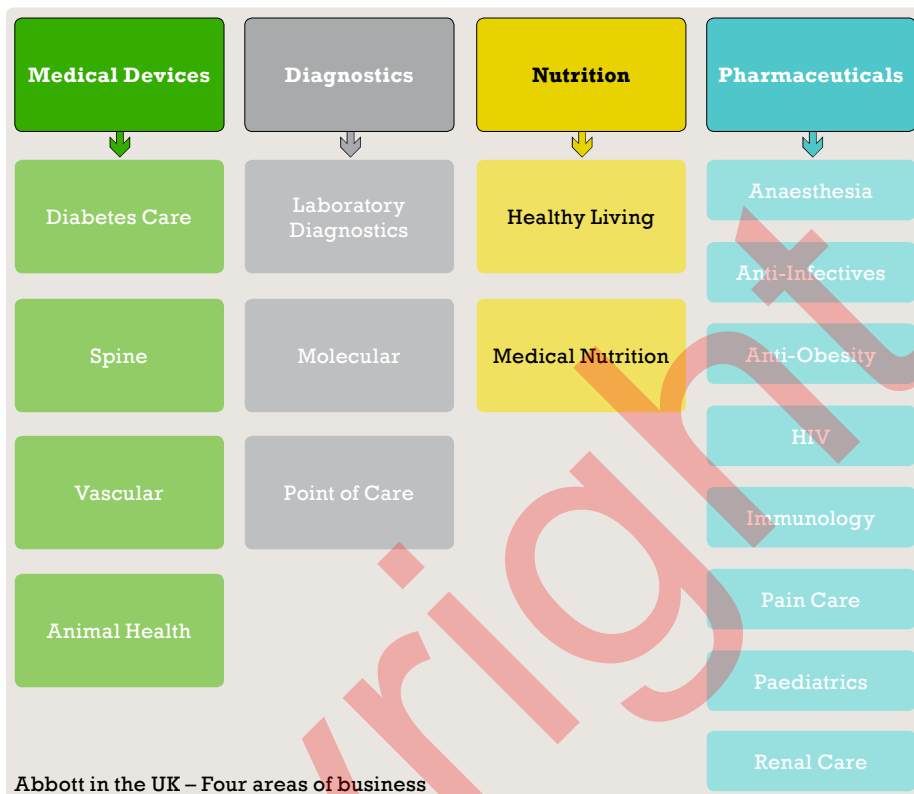
This commitment to addressing areas of unmet need extends worldwide. For example, Abbott recently introduced new formulations of its fixed dose HIV drug combination replacing the original capsule with a heat-stable tablet that does not require refrigeration. In May this year, Abbott introduced a smaller, lower strength tablet for children, which represents a breakthrough for clinicians



AXCOR20081614 August 2008

ABBOTT: FAST FACTS

- Founded in 1888 in the USA, Abbott established its UK operation in 1937 at Perivale, West London
- Abbott UK is headquartered at Maidenhead, Berkshire and has operations in Kent, Lancashire, the Midlands and Oxfordshire
- The company employs more than 2,000 people in the UK and 68,000 worldwide in more than 130 countries
- Abbott's interests cover: animal health; diabetes care; diagnostics; nutrition; pharmaceutical; point of care; and spinal and vascular products
- Key therapeutic areas include: immunology; cardiovascular; virology; renal care; metabolic disease (diabetes, obesity and thyroid disorders); anti-infectives; neuroscience, pain care and anaesthesia; and oncology



and patients both in developed and developing countries.

“In addition to Abbott’s corporate commitment to make our HIV treatments the most widely available in the world, we’ve made a considerable investment in our protease inhibitor manufacturing infrastructure to ensure we meet global demand and that we supply the same product to patients in Soweto, San Francisco or Seoul,” Jeff says. “Abbott has a long history of engagement in global HIV issues and a commitment to philanthropic efforts in addressing the global HIV crisis.”

Abbott staff are genuinely proud of the company’s global citizenship initiatives that, in addition to the HIV/AIDS-related programmes, cover corporate philanthropy, patient assistance programmes, and humanitarian relief. However, Jeff notes: “While Abbott’s reach is global, we encourage all employees to give something back locally through initiatives such as our UK employee volunteering programme.”

**Bolstering stability**

Abbott’s employees welcome the stability that stems from the company’s financial and commercial discipline, which helps protect it from the vagaries of the market. And Jeff highlights that the broad diversification of Abbott’s various divisions has “critically aided our consistent, sustained performance”.

One of Jeff’s hallmark approaches to management is to involve people and not to take the senior team off to reach decisions unilaterally. “Staff

‘Staff representatives are involved in developing our business plans as part of cross-functional strategy groups. A group could include people from finance, sales, clinical research, training, communications and human resources’

representatives are involved in developing our business plans as part of cross-functional strategy groups. A group could include people from finance, sales, clinical research, training, communications and human resources,” he stresses. “We write the strategic plans down, communicate them across the company and then execute. We ensure that Abbott maintains a culture of openness and transparency.” This openness and transparency extends to personal development, whether employees remain in the division they joined or plan a move to a different part of Abbott.”

Among Abbott’s accolades is an ‘Investors in People’ accreditation stretching back 11 years, a two-star accreditation by Best Companies and being voted Employer of the Year in the Royal Borough of Windsor & Maidenhead where its UK headquarters are located. “A recent survey found we have one of the happiest salesforces in the industry,” Jeff adds proudly. “And we work hard to ensure we attract and retain the best people in every area of our business.”

Diversification has helped Abbott remain independent for 130 years, it’s helped the company buck many of the trends that are stifling growth in other areas of the industry and it helps keep the workforce happy. So expect more of the same. “We’ll maintain our openness, flexibility and diversity going forward,” Jeff concludes. “Diversity is our ethos. It’s what we look for when we recruit and develop our staff. Our portfolio and pipeline is diverse. It’s integral to our business model and to maintaining and expanding our competitive edge.”

**References**

1. Smith CH *et al.* British Association of Dermatologists guidelines for use of biological interventions in psoriasis 2005.
2. NICE Technology Appraisal Guidance T103. July 2006.