

Clear Vision

Many people agree that sight is the most precious of the five senses, including Flemming Ørnskov, president of Novartis Ophthalmics. That's why he is taking the risks and making the (sometimes unpopular) decisions necessary to keep innovation in this area alive.

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This summer, Novartis Ophthalmics made history: one of its treatments underwent the second longest appraisal process ever required by the UK's National Institute of Clinical Excellence (NICE). *Visudyne's* progress had been followed closely by eager doctors across the country and thousands of age-related macular degeneration (AMD) sufferers whose sight was slipping away with each passing day (see sidebar "The Sight Preserver"). Even UK Prime Minister Tony Blair faced questions about the delay on the floor of the House of Commons. As NICE's promised implementation deadline of 24 June neared, Flemming Ørnskov, president of Novartis Ophthalmics, was hopeful. "We've had a few surprises along the way, but I'm an optimist," he said just days before the deadline. "If the official statement is 24 June, I will expect it to be 24 June." And so it was. But now, 5 months on, the uptake of the NICE guidance in the UK has been slower than expected and Ørnskov is understandably frustrated. As president of the division behind this revolutionary treatment, Ørnskov has obvious reasons for pushing its success. Not quite so obvious, however, is his personal motivation to keep things happening — an endeavour more difficult than it sounds in a company the size of Novartis.

A gambling man

A former practising physician, Ørnskov encountered blindness early on in his career. He recalls working in neonatal intensive care at a time when the method of artificial respiration for very premature children was to give them very high levels of oxygen — even 100% — sometimes resulting in loss of sight. "It was a horrible dilemma, to be saving a child that was born so premature and then knowing that they would get the handicap of not being able to see," says Ørnskov. Following many of those children throughout the years, "I saw how well they managed to cope with that, but I also learned how important sight is. Now, working with people about to lose their sight, I know how important it is for them to get access to a treatment that will help them preserve it. When you have already lost some of the ability to see, you are more than happy to preserve what is left; it is an enormous change to go from having a little sight to no sight."

Empathy for the patient's plight is a driving force for Ørnskov. "What I find really stimulating is that in my position I am so fortunate that I have the opportunity to direct resources at areas in which we can develop products that are making a difference. For instance, right now we are in the final stages of clinical trials with a product for patients with diabetic retinopathy. No one knows — it could be fifty-fifty — whether the trials will be positive, but if they are positive this will be the first treatment for diabetic patients with this particular eye disease."

Fifty-fifty — not odds that big pharma typically likes to gamble on, but Ørnskov believes the potential pay-off is more than worthwhile. "For me, even though it's a risk and a high investment — many, many millions of dollars to do these trials — I am willing to make those investments. Because, if it works and it's proven to work, it's a benefit to the patient." Risk taking is not always a popular approach, as Ørnskov acknowledges: "I am probably willing to take a bit more risk, be a bit more aggressive and passionate than my typical peer — something that at times makes me a bit more prone to internal criticism. If that sometimes means going to battle internally, so be it."

But conviction gets results, as Ørnskov's curriculum vitae shows. Coming to Novartis in 2001, Ørnskov quickly turned two existing cardiovascular products into market leaders. *Diovan* was number two in its segment behind Merck's *Kozar*, but within 8 months under Ørnskov's leadership it became number one — soon thereafter reaching \$1 billion in US sales. At the same time, Ørnskov was taking on a challenge particular to a combination product called *Lotrel* (available only in the US). "Markets in the US for combination products are challenging," says Ørnskov. "This was a combination of Pfizer's *Norvasc* and a Novartis product called *Lotensin*, an ACE inhibitor. But we were able to position this product for the most difficult to treat patients with hypertension by finding a very clear niche and indications for it ... this year it has sold for more than \$600 million in the US."

Ask the secret of Ørnskov's success and you'll be answered with a list of colleagues. He will, if pushed, reluctantly acknowledge his own contributions to such campaigns: "What I brought to the table was perhaps some analytical rigour —



helping the team to formulate clear strategies and clear positionings for both of the products, so that they could co-exist without stealing sales from each other." But Ørnskov is more comfortable praising the teams involved and acknowledging their respective leaders by name. This awareness — of patient and colleague alike — is evident at every level. Consider the company brochure.

The world is beautiful to look at

When Ørnskov first came to Novartis Ophthalmics, he concluded that physicians did not know enough about ongoing research and development. So he asked his team to change that: "I said, 'people are looking for meaning, so let's give a clear signal about what meaning comes from us as the eye division.'" Not everybody embraced the idea. "Some people internally said, 'why do we need to develop a glossy brochure? They know us; why are we doing this kind of stuff? Isn't it a waste of time?'" Ørnskov disagreed and the brochure was soon under way — but this was not to be a typical ophthalmics brochure. "I was seeing that all the ads of this field were showing eyes," Ørnskov recalls. "I said to my team, 'That's taking our perspective and looking at the patient. Why don't we take the patient's perspective?'" Thus, the slogan was born: *The world is beautiful > to look at*. Ørnskov's team took on the question of why is it important to have sight. "And the importance of having sight," says Ørnskov, "is that you can look at these beautiful things. So I asked people in our advertising to show positive things (see below). The ads that we see all the time show eyes — that's not interesting for the patients. The thing that's interesting for the patients is what they can see with their eyes."

The entrepreneurial spirit

Could the Novartis Ophthalmics brochure be a metaphor for Novartis as a pharmaceutical company — while everyone else seems to be looking at the obvious marker, Novartis is looking

A new look: Anybody who doubts that the world is beautiful to look at should see the Novartis Ophthalmics brochure. In addition to outlining the organization's mission statement, philosophy and ongoing R&D, the 24-page brochure gives six breathtaking reminders of why eyesight is so precious.



THE SIGHT PRESERVER

Visudyne's two-step procedure is a therapy for patients with some forms of wet AMD and pathological myopia. Also known as photodynamic therapy (PDT), treatment is injected intravenously into the patient's arm, and then a non-thermal laser is shone into the patient's eye to activate the treatment. Although the treatment typically cannot reverse blindness, it can prevent further loss of sight for suitable patients. The treatment is particularly popular among patients, but its complexity requires training and facilities that are not always easily accessible.

According to Ørnskov, NICE's strategic commissioners have been slow to appoint designated suppliers and many places do not have adequate services available. "There is currently less than one-third of the clinic capacity available for PDT with Visudyne than is needed to treat all of the patients for whom NICE recommended treatment. The VPDT study (the NICE recommendation for treatment for patients with predominantly classic lesions) is far behind schedule," says Ørnskov. Novartis is providing education and support to retinal specialists, ophthalmologists, optometrists, PDT clinic nurses, ophthalmic photographers, hospital business managers and strategic commissioners to try to speed things up.

FLEMMING ØRNSKOV

Flemming Ørnskov is from a small fishing village in the western part of Denmark (home of the film *Babette's Feast*), which he visits regularly. Prior to joining Novartis, Ørnskov was at Merck MSD, working across therapeutic areas including neuroscience, osteoporosis and urology. He holds a medical degree from the University of Copenhagen Medical School (Denmark), a master's degree in Health Care Management from Harvard (Massachusetts, USA) and an MBA from INSEAD (France).

Yet Ørnskov has always made time to relax. "I could personally not be an effective leader if I did not have interests outside my professional life. I recharge my batteries by reading or going to a play or to the opera." He is also an avid player on the Novartis soccer team. Any similarities between his position of choice — forward — and his management style? "I'm pretty goal driven," Ørnskov says, "I think that you have to be pretty fast to be up front at the goal in a soccer team. I think I'm also not so hierarchical; I'm used to working in teams and working with people."

Ørnskov considers making time for interest like these, along with spending time with his children, to be invaluable. "There will always be another e-mail, another phone call or meeting you can attend," he says. Getting some distance and perspective "is something you need to be disciplined about."



beyond to the forgotten big (and more colourful) picture? Ørnskov thinks so. He believes that the spirit of risk and innovation is not lost in the colossal cogs of Novartis because the company has found a way to maintain an entrepreneurial spirit. Specialty medicine is gaining importance, according to Ørnskov, and Novartis is clearing the way. "Novartis became a leader in the movement four years ago, when the company formed its individual Oncology, Ophthalmics and Transplantation & Immunology business units," says Ørnskov. "Working in a specialty area can be a very interesting part of a person's career, particularly someone who works in a big company," he says. "You really get to know your customer and — if you're interested in the science part — you get to know the biotech companies and all of the research that's going on. It's not like working in an area like cardiovascular; that's so huge!

In ophthalmics, for instance, I can really follow everything that goes on. I know all the players."

And it makes solid business sense too. Ørnskov points out that a new start-up company is likely to focus on specialty medicines and will have relatively low investment in terms of infrastructure. Novartis' specialty areas allow the company to remain competitive on this level. "Because our infrastructure is in place, we appreciate the strength of the overall Novartis strategy — that is, to be in a variety of different segments, allowing each unit under separate leaders to compete successfully within a category."

For Novartis Ophthalmics, this set-up is a breeding ground for growth and innovation, and Ørnskov's to-do list is long. His number one objective is to continue to be the leader in treatment for the back of the eye. "I want to develop more products in the area of wet AMD so we are continuing to look for additional compounds. Lucentis is given directly into the eye, which is a step forward from Visudyne, but I would like to find even more convenient products," says Ørnskov. He also hopes to take a closer look at glaucoma and continue developing more products for the surface of the eye. "We already have in total about 130 products within my division, but I would like to get more innovative products, more new breakthrough products."

Ørnskov's methods for facilitating innovation have not always been immediately welcome, but the numbers show they are ultimately infectious and effective. "I have often come into situations in which things are not going as well as they should; things need to be turned around: low growth, no clear direction," says Ørnskov. "The first 6 to 8 months are always very painful because often I have to make very tough decisions; often I have to change management, change people. But what is such a huge pleasure — and what is currently the case for my job — is that a year, a year and a half into that, I see things turn around. People blossom, people deliver a little extra, the results come in, the spirit comes back. When we get to that phase in which people are more enthusiastic and they see where we're going, then they also get much more focussed on what it's really all about — which is coming up with new products. Suddenly people start to say, 'why should we look at it that way, why don't we look at it like this?' Or 'maybe this will work in that product.'"

This is what Ørnskov calls the biggest kind of thrill. "Because, in the end," he says, "when I go back and meet all my former colleagues who are now professors and doctors in big hospitals in Denmark, the first question out of their mouths is 'what kind of new products are you coming up with?' And I better have an answer for them." ■

NOVARTIS OPHTHALMICS

Based in Basel, Switzerland, Novartis Ophthalmics is the eye health unit of Novartis AG and a leader in developing therapies for some wet forms of age-related macular degeneration (AMD) as well as eye inflammation, ocular allergies, dry eye and other diseases and disorders of the eye. Global sales for Novartis Ophthalmics' lead product Visudyne (verteporfin for injection) was \$357 million in 2003, with \$430 million projected for 2004. Visudyne was developed through a partnership with QLT (Canada), for which Novartis Ophthalmics and QLT won the 2003 Helen Keller Prize for Innovation in Eye Care from the Helen Keller Foundation. Other strategic partnerships have included the development and marketing of Lucentis (for wet AMD), in partnership with Genentech outside of North America.

Novartis is aiming to transform its headquarters in Basel "from an industrial complex to a place of innovation, knowledge and encounter." The new campus (detailed on the novartis.com website) hopes to offer Novartis employees and visitors an environment for intensive levels of communication and work, which is "ultra-modern, very functional and aesthetically pleasing." The long-term project includes not only architecture and landscaping but also functional, traffic-planning and cultural considerations.