

EXECUTIVE SUMMARY

HI-Eisai Pharmaceutical Inc. is a partnership between House of Investments (HI) of the Yuchengco Group of companies and Eisai. Co. Ltd. in Japan. It is a business conglomerate in the Philippines chaired by Ambassador Alfonso Yuchengco. HI- Eisai in the Philippines has distinguished itself as a human healthcare company that markets high quality and innovative pharmaceutical products; an investment that focuses on health care business. The company has been in the market for more than three decades. It is a multinational company with a good reputation and researched base products that are widely accepted in the gastro intestinal and neurological markets because of its proven clinical features and benefits to patients. However, it remains to be in the same rank in the market from the time it was established inspite of the new global and new products it has launched in the market. However, the three year generated current financial position of the company shows that it is strong enough and stable to give assurance to the stockholders to continue with this pharmaceutical business. Reaching 1B by 2018 is the company's vision, which will move the company's rank to number 20, through realizing strategic aspirations for a high performing organization, employee career advancement with increased salaries and benefits, completion of the business structure, and mobilization. However, the reported October 2014 market share in terms of value is less than one percent and 15 percent in terms of

growth in the pharmaceutical industry. Projected historical data reveals that there will be a short of 400 M by 2018. Sales profitability of the global and strategic brands and the prescription share of newly launched products declines last year as a result of declining trade channels as reported by the principal distributor, Zuellig Pharma. Corporation.

This paper developed a five year strategy formulated for HI-Eisai Pharmaceutical Inc. it evaluated the probability of achieving the short term and the long term objectives of the company. The paper recommends increasing the market share by doubling the growth of the existing product portfolio. It also revisited the current vision and mission statements how the company responds to the external challenges of harmonization of Asia trade/ ASEAN countries, other countries competencies, cost leadership, compliance regulation, and branded generics. Consolidation and convergence impact to licensing, impact to manpower, aging population, technology impact, patients or the consumers spending, and the payor or the expanding HMO's and insurances were also analyzed.

Building the momentum, as well as driving the result in preparation to become 1B is a big challenge. However strategies derived from analysis of the external and internal challenges using the strategic tools and matrices (TOWS, IE, SPACE, QSPM) provide focus and direction. The generated current financial position and the projected sales and net income show that the company is strong enough and may continue to invest in innovation of the HI-Eisai marketing plan

and strategies to sustain and build competitive advantage of the company over competitor that can be implemented through product differentiation and customer positive experience.

Being a human healthcare company, its philosophy must be seen and fully extended to the employees, the key link in any organizational success since this is currently neglected. People excellence, effectiveness, efficiency is the mark of a high performing individual. Maximizing growth and opportunities while utilizing strength and enhancing weaknesses as a competitive advantage, enhancement of skills and competencies of the sales force should be part of the vision and mission, as well as concern to employees, one of weaknesses of the company that impact the sales result. High performing people leads to a high performing organization. The existing company structure, the hard and soft elements must be solid in terms of people, process and culture. Competition and internal barriers are found to be strong and way forward by embracing change. Key success factors highly recommended across the organization is to have leadership or self- discipline, self-engagement. accountability and focus in delivering results. Individual performance should be linked to the company's expectations and individual functionalities. Consolidated scoreboard, key performance indicators, sales force structure, product portfolio must be solid, rewards and incentives that will motivate across all employees should be clearly discussed to all personnel.

Strategic evaluation provides an objective method for testing the efficiency and effectiveness of business strategies. Key strategies, suitability, feasibility and acceptability in company products are important in maximizing the strengths and mitigating weaknesses.

To achieve the dream of achieving 1B by 2019, making HI-Eisai rank number 20, a five-year sales forecast using compounded annual growth rate was done. The additional 100 million brand will be accomplished in 2018 with oncology resulting to drive the business performance high. By 2019, Pariet and Aricept Eves will also contribute in the growth and sales performance in delivering the company aspiration having 500 million brands.

Key strategies capitalizing on product differentiation will focus on the niche market of the global and strategic brand by building new businesses in the neuro and oncology segments. HIGH project which means Hospital and Industrial Growing to Greater Height where the Hospital and Industrial segment is the prescription driver of HI-Eisai products. The existing product portfolio is a perfect match for industrial companies growing but have remained untapped based on the strategic analysis. It is also suggested to defend base business in the field of existing medical specialties such as gastroenterology, ear-nose-throat and head and neck surgery, internal medicine, general practitioner and family medicine. Another is optimizing patient access through patient support program, human healthcare program, a mandatory twice a year activity in the breast cancer patient, hepa-B

carrier, epilepsy and alzheimers. disease patient in coordination with the NGO's, private, independent groups and government institution.

The strong financial position of the company in the aggressive posture can support the higher management in deciding the additional sales force beginning fiscal year 2016 by increasing the share of voice in the market place, reaching the untapped market through proper execution of the brand plan. It is important to focus on customer satisfaction marching in one cadence.

